

ASSET PURCHASE AND PROCESSING AGREEMENT

THIS ASSET PURCHASE AND PROCESSING AGREEMENT (this "Agreement") is dated as of April 1, 2009, by and between the Bankruptcy Estate of Chemetco, Inc., 3574 Chemetco Lane, Hartford, IL 62048 ("Seller"), and Industrial Asset Disposition, LLC, a California limited liability company ("Buyer").

BACKGROUND

On November 13, 2001, Seller filed a Voluntary Petition under Chapter 7 of the United States Bankruptcy Code. The Bankruptcy Court of Southern District of Illinois ("Bankruptcy Court") has appointed Laura K. Grandy as Trustee ("Trustee") of the bankruptcy estate. Prior to filing for bankruptcy, Seller engaged in the ownership and operation of a copper processing plant located in Hartford, Illinois. Pursuant to Section 363 of the Bankruptcy Code, 11 U.S.C. Section 363, the Trustee has determined it is in the best interest of the bankruptcy estate to offer for sale certain assets related to the copper processing plant and the Buyer desires to purchase said assets pursuant to the terms and conditions herein contained.

NOW THEREFORE, IN CONSIDERATION OF THE PREMISES AND MUTUAL REPRESENTATIONS, WARRANTIES, COVENANTS, AND AGREEMENTS HEREIN CONTAINED, THE PARTIES HERETO, INTENDING TO BE LEGALLY BOUND, AGREE AS FOLLOWS:

SECTION 1. PURCHASE AND SALE OF ASSETS

1.1 Purchased Assets.

(a) Subject to the terms and conditions hereof Seller shall assign, sell and transfer, to Buyer, and Buyer shall purchase, all of Seller's right, title and interest in, those assets set forth below:

i. miscellaneous stainless steel, iron and other metal bearing materials located on the Smelter Site, including the metal contained in or comprising part of the buildings on the Smelter Site, to the extent not already sold by Seller ("Scrap Assets"); and

ii. the real property commonly known as 3574 Chemetco Lane, Hartford, IL, comprised of *approximately 41.1 acres*, and the real property adjacent thereto lying west of Old Alton Road, comprised of approximately 162.79 acres together with all buildings, facilities and other improvements thereon and all easements, privileges and all appurtenances pertaining thereto, legally described on the attached Schedule 1.1 (permanent parcel numbers to govern) (collectively, the "Smelter Site"); and

iii. the real property lying east of Old Alton Road and both north and south of New Poag Road, comprised of approximately 143.76 acres, together with all buildings, facilities and other improvements thereon and all easements, privileges and all appurtenances

pertaining thereto, legally described on the attached Schedule 1.1 (permanent parcel numbers to govern) ("NPR Property").

(b) All of the assets to be sold, assigned and transferred hereunder by Seller to Buyer as more fully described in Section 1.1(a) above, are hereinafter called the "Assets."

1.2 Assets Excluded from Purchase. All other assets of Seller not otherwise identified here as an Asset, including, specifically those assets contained on Schedule 1.2, are not included in the sale to Buyer and are specifically excluded from the terms of this Agreement ("Excluded Assets"). Notwithstanding anything herein to the contrary, Trustee retains the right to access the Smelter Site and NPR Property following the Transfer Date upon reasonable notice to Buyer to retrieve the Excluded Assets and finalize the administration of the Seller's bankruptcy estate.

1.3 Rights of Tenant Farmer. The parties hereto acknowledge the existence of a tenant farmer on portions of the Smelter Site and the NPR Property, who shall be permitted to continue farming said property through the end of the crop year containing the Transfer Date. All proceeds from any tenant farmer shall be the sole property of Seller prior to the Transfer Date. All proceeds from any tenant farmer following the Transfer Date shall be the sole property of Buyer.

SECTION 2. PURCHASE PRICE AND PAYMENT; ASSUMED LIABILITIES

2.1 Deposit. Simultaneous with the execution of this Agreement, Buyer shall pay to Seller a deposit in the amount of \$500,000.00 to be held by Trustee in a interest bearing account for the benefit of Seller which amount shall be applied to the Smelter Purchase Price.

2.2 Purchase Price. The purchase price for the Assets shall be as follows:

A. Scrap Assets. The purchase price for the Scrap Assets shall equal eighty percent (80%) of the Scrap Revenue and shall be paid in accordance with Section 3 below ("Scrap Purchase Price").

B. Smelter Site. The purchase price for the Smelter Site shall equal Seven Million Dollars (\$7,000,000.00) ("Smelter Purchase Price") and shall be paid from the Processing Revenue in accordance with Section 4.4(a) below.

C. NPR Property. The purchase price for the NPR Property shall equal Five Million Thirty One Thousand Six Hundred Dollars (\$5,031,600.00) and shall be paid from the Processing Revenue in accordance with Section 4.4(b) below ("NPR Purchase Price").

2.2 Excluded Liabilities. **EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN, BUYER SHALL NOT, BY VIRTUE OF BUYER'S PURCHASE OF THE ASSETS OR OTHERWISE, DIRECTLY OR INDIRECTLY ASSUME OR BE RESPONSIBLE FOR ANY LIABILITIES OR OBLIGATIONS OF SELLER, OR ANY OF SELLER'S RESPECTIVE AFFILIATES OR PREDECESSORS OF ANY NATURE WHATSOEVER**

(THE "EXCLUDED LIABILITIES") WHETHER LIQUIDATED OR UNLIQUIDATED, KNOWN OR UNKNOWN, ACTUAL OR INCHOATE, ACCRUED, CONTINGENT OR OTHERWISE, AND WHETHER ARISING FROM FACTS EXISTING OR EVENTS OCCURRING PRIOR TO, ON OR AFTER THE DATE OF THIS AGREEMENT.

2.3 Compliance with Internal Revenue Code Section 1060. Seller shall provide to Buyer and Buyer shall provide to Seller all information for Part I of U.S. Treasury Department Form 8594 which will enable Buyer and Seller to make, in a timely manner, all filings (including supplemental filings) deemed appropriate by either Seller or Buyer pursuant to Section 1060 of the Internal Revenue Code of 1986, as amended (the "Code"). All information provided by Seller and Buyer in compliance with this Section 2.5 shall be complete and accurate in all respects. Seller shall provide to Buyer and Buyer shall provide to Seller any filing made by such party pursuant to Section 1060 of the Code within ten (10) days of such filing. Seller or Buyer, upon written request of the other (made upon advice of counsel for the requesting party), will, within twenty (20) days of the making of such request, file an initial filing (or a supplemental filing) on U.S. Treasury Department Form 8594 pursuant to the requirements of Section 1060 of the Code.

2.4 Title to Assets. On the Transfer Date, Seller shall transfer the Assets to Buyer, free and clear of any right, or interest, that subsists in a third-party and that constitutes a claim, lien, charge or liability attached to and binding upon any Asset, including, but not limited to, a mortgage, judgment lien, mechanic's lien, lease, or security interest.

SECTION 3 REMOVAL AND SALE OF SCRAP ASSETS

3.1 Within thirty (30) of Court Approval and approval of all applicable Regulatory Agencies, Buyer shall begin to resell all Scrap Assets, including by-products from the demolition of the buildings, including steel I beams, copper wire, old breakers, transformers and motors; provided, however, the motors and equipment necessary to operate and maintain the water systems on the Smelter Site shall not be removed or sold without the Seller's approval. Any Scrap Assets that cannot be resold will be sold for scrap value. Notwithstanding the foregoing, the structure supporting the Furnaces shall be kept in place until the Furnaces have been removed. Following removal, the structure shall be torn down and sold in accordance with above.

3.2 Buyer shall bear all the costs of demolition, removal, labor, equipment, marketing and logistics related to the sale of the Scrap Assets. Any additional funds required to satisfy any Regulatory Agency shall also be the responsibility of Buyer.

3.3 The Scrap Revenue shall be distributed by the Trustee as follows: (a) 20% to Buyer; and (b) 80% to Seller.

3.4 "Scrap Revenue" shall be the gross revenue from the sale of the Scrap Assets net of the payment of general liability insurance premiums, licensing fees and permits only.

SECTION 4.
PROCESSING AND SALE OF SCRUBBER SLUDGE AND SLAG

4.1 Although not being purchased by Buyer hereunder, Seller hereby grants to Buyer the exclusive right to process and/or sell the Scrubber Sludge and Slag pursuant to the terms herein subject to the final approval of the Trustee. All costs of construction, labor, equipment, marketing, and logistics of the construction of a processing plant, development of a work plan in compliance with any Regulatory Agency, and the ultimate sale (whether processed or unprocessed) of the Scrubber Sludge and Slag to third parties shall be borne by Buyer in exchange for a portion of the Processing Revenue as provided herein.

a. "Processing Revenue" shall be the gross revenue from the sale of the Scrubber Sludge, Recovered Materials (hereinafter defined) and Slag (to the extent such Slag has not been processed) net of Operating Expenses, excluding interest, taxes, depreciation and amortization (EBITDA).

b. "Operating Expenses" shall mean operating expenses incurred by Seller and Buyer from and after the commencement of operation of the Processing Facility that are directly related to (i) the operation and maintenance of the Processing Facility; (ii) the processing of the Scrubber Sludge and Slag, including, but not limited to loading, hauling, conveying, crushing, screening, grinding, physical separation, chemical separation, solid-liquid separation, power, consumables (reagents), drying and packaging and all other expenses, including waste disposal costs, as determined under General Accounting Standards; (iii) Smelter Site costs; (iv) personnel and administration costs, including Trustee's fees; (v) the marketing and selling of the Recovered Materials, including, but not limited to shipping, insurance, and all other selling expenses as determined under Generally Accepted Accounting Principles ("GAAP"); (vi) environmental compliance costs; (vii) health and safety costs; and (ix) mutually agreed upon charges by the parties from time to time.

4.2 Subject to the Section 8.7 below, Buyer shall be responsible for the construction and installation of a facility to process the Slag and Scrubber Sludge on the Smelter Site ("Processing Facility") for purposes of recovering copper, zinc, lead, tin, nickel and other materials ("Recovered Materials") from the Slag. The Processing Facility shall be built and the Slag and Scrubber Sludge shall be processed in accordance with all Regulatory Agency guidelines, the Work Plan (defined in Section 5), and the covenants of Buyer and Seller herein contained. Buyer shall bear all costs of construction, labor, equipment, marketing, and logistics of the construction of the Processing Facility and the sale of Recovered Materials, including the development of the Work Plan and any compliance with any Regulatory Agency.

4.3 Buyer may sell the Scrubber Sludge and Slag in an unprocessed or processed form subject to Seller's prior approval.

4.4 The Processing Revenue shall be distributed by Trustee as follows:

(a) So long as there remains a balance due on the Smelter Purchase Price, the Processing Revenue shall be distributed by the Trustee as follows: (i) 5% to Trustee to be held by Trustee pursuant to Section 5 below; (ii) 25% to Buyer; (iii) 35% to Seller to be applied to the Smelter Purchase Price; and (iv) 35% to Commerce Bank, N.A. to satisfy its lien against the Slag, which amount shall be applied to the Smelter Purchase Price. Notwithstanding the foregoing, Buyer shall pay to Seller any remaining balance on the Smelter Purchase Price as of the third anniversary of the Court Approval.

(b) Following payment in full of the Smelter Purchase Price, so long as there remains a balance due on the NPR Purchase Price, the Processing Revenue shall be distributed by the Trustee as follows: (i) 5% to Trustee to be held by Trustee pursuant to Section 5 below; (ii) 25% to Buyer; (iii) 20% to Seller to be applied to the NPR Purchase Price; and (iv) 50% to Seller. Notwithstanding the foregoing, Buyer shall pay to Seller any remaining balance on the NPR Purchase Price as of the fourth anniversary of the Court Approval.

(c) At such time as the Smelter Purchase Price and the NPR Purchase Price have been paid in full, the Processing Revenue shall be distributed by the Trustee as follows: (i) 50% to Buyer; and (ii) 50% to Seller.

4.5 Notwithstanding anything herein to the contrary, all processing shall be completed as of the sixth anniversary of the Court Approval.

SECTION 5. ENVIRONMENTAL ISSUES

5.1 Buyer would, in cooperation with Seller, develop and carry out a work plan to govern the clean-up of the Smelter Site, construction of the Processing Facility and processing of the Slag, addressing environmental, health and safety, and transportation issues related thereto, to include without limitation, each of the following components: (i) Health and Safety Plan, (ii) Confined Space Plan, (iii) Industrial Hygiene Plan, (iv) Air Monitoring Plan (v) Waste Management Plan, and (vi) Contingency Plan and Emergency Procedures (collectively the "Work Plan"). The Work Plan shall comply with the Seal Order, the Interim Order and shall meet all regulatory requirements of all applicable governmental agencies, including without limitation the United States Environmental Protection Agency, the Illinois Environmental Protection Agency and the Occupational Safety and Health Administration ("Regulatory Agencies"). The Work Plan shall be approved by all appropriate Regulatory Agencies, if required by such Regulatory Agency, prior to the sale of any Assets or processing of any Slag and Scrubber Sludge from the Smelter Site. "Seal Order" shall mean that certain Seal Order pursuant to Section 34 of the Illinois Environmental Protection Act filed with the Court on December 8, 2001, a copy of which is attached hereto as Exhibit A. "Interim Order" shall mean that certain order entered into between the Trustee, the Illinois Environmental Protection Agency, the State of Illinois, the United States Environmental Protection Agency and the United States of America in the Federal District Court of Southern Illinois, Case Nos. 00-670-DRH and 00-677-DRH (consolidated) CJRA Track C on September 16, 2008, a copy of which is attached hereto as Exhibit B.

5.2 Any amounts directed to be held by Trustee pursuant to Section 4 hereof, shall be held by Trustee in a interest bearing account for the benefit of Seller and Buyer ("Escrowed Funds"); provided, however, in no event shall the aggregate amount of the Escrowed Funds exceed \$10,000,000.00. Any costs and expenses associated with any remediation issues raised by any Regulatory Agency during the term hereof shall be paid from the Escrowed Funds. At such time as are necessary "no further remediation letters" have been received by Seller, any remaining Escrowed Funds shall be paid to Buyer.

SECTION 6. PARTIES' RESPONSIBILITIES

6.1 Seller, through the Trustee, shall, at all times during the term of this Agreement, take all commercially reasonable steps to:

(a) Grant access to the parties and the parties' representatives and agents to the parts of the Smelter Site and NPR Property which are necessary for the efficient operation of the Processing Facility;

(b) Support the reasonable actions of Buyer and Seller to realize the goals of this Agreement on behalf of, and to the mutual benefit of, both parties;

(c) Advise Buyer in a timely fashion about the reasonable or legally required steps Seller must take to ensure the safe and secure operation of the Processing Facility and to meet other requirements of any Regulatory Agency;

(d) Provide management, purchasing, sales, personnel, maintenance or any other support as required for the safe and efficient operation of the Processing Facility;

(e) Collect all revenues from sales of the Recovered Materials in a timely fashion;

(f) Make distributions of Processing Revenue in accordance with Section 4.4, provided, that Trustee may maintain a minimum amount of retained earnings to meet the on-going Operating Cost needs of the Processing Facility as determined from time to time by Buyer and Trustee;

(g) Maintain complete and accurate books, records and accounts of all transactions relating to the sales of and revenues from the Recovered Materials, which shall be open for inspection and audit by the Parties.

6.2 Buyer, on its own behalf and on behalf of all its representative and agents, shall, at all times during the term of this Agreement, take all commercially reasonable steps to:

(a) Maintain that portion of the Smelter Site required to maintain the Processing Facility as a safe and secure workplace;

(b) Raise the required financing to fund the construction and maintenance of the Processing Facility;

(c) Design, purchase and construct the Processing Facility, and ensure the Processing Facility is implemented in an efficient manner and in accordance with programs and budgets approved by the parties, including the Work Plans;

(d) Evaluate the start up, operation and maintenance of the Processing Facility and make recommendations to Seller regarding the on-going operations to ensure that each the Processing Facility produces the highest and best end product value;

(e) Provide information related to Operating Costs along with supporting documentation to Trustee in a timely manner;

(f) Provide/employ a full-time representative ("Buyer Representative") to be present at the Smelter Site during all reasonable hours of operation with all reasonable costs of the Buyer Representative to be borne by Buyer and not considered Operating Costs;

(g) Provide regulatory compliance for the Processing Facility with all applicable Regulatory Agency;

(h) To the extent that revenue is insufficient to cover Operating Costs, finance all Operating Costs for the first six (6) months of operation of the processing hereunder;

(i) Not exceed any approved budget by more than ten percent (10%) without the prior consent of Seller, except in relation to an emergency expenditure;

(j) Provide recommendations regarding management, purchasing, sales, personnel, maintenance and other support as required for the safe and efficient operation of the Processing Facility, as may be requested by Trustee;

(k) Make recommendations regarding regulatory compliance for the Processing Facility and maintenance of the Smelter Site required for the Processing Facility as a safe and secure workplace.

SECTION 7. BUYER'S COVENANTS AND RESPONSIBILITIES

7.1 Trustee, together with the Buyer Representative, shall, at all times during the term of this Agreement, take all commercially reasonable steps to:

(a) Manage all the day-to-day operations of the Processing Facility which shall include managing and supervising all personnel and all approved programs and budgets;

(b) Manage the on-going operations of the Processing Facility to ensure that it produces the highest and best end product value;

(c) Carry out all activities required hereunder in accordance with good industry practice, with reasonable care, skill and diligence and in accordance with all applicable laws and regulations;

(d) Maintain complete and accurate books, records and accounts of all transactions relating to the operations of the Processing Facility, which shall be open for inspection and audit by the parties.

(e) Establish a minimum amount of retained earnings to be held by Trustee to meet the on-going Operating Costs associated with the Processing Facility.

7.2 Trustee and Buyer Representative shall meet and/or communicate with each other as often as necessary, to review and approve the daily operations of the Processing Facility.

7.3 As often as necessary, but in no event less often than once a calendar quarter, Trustee and Buyer shall meet to review and approve the nature and content of the programs and budgets related the Processing Facility.

7.4 The Buyer Representative serves at the pleasure of Buyer and may be removed or replaced by Buyer as determined in Buyer's sole discretion; provided notice of the removal or replacement of the Buyer Representative by Buyer shall be made in writing to the Trustee; provided, further, any concerns with the performance of the Buyer Representative by the Trustee shall be promptly reported to Buyer. Buyer and the Trustee will work together to resolve such concerns to the mutual benefit of both Parties.

SECTION 8. FURTHER OBLIGATIONS OF THE PARTIES

8.1 Bankruptcy Court Approval. Within ten (10) days of the execution of this Agreement, Trustee shall submit to the Bankruptcy Court a Notice of Intent to Sell requesting the approval of the Bankruptcy Court for the sale of the Assets to Buyer pursuant to the terms herein contained. Upon receipt of a Bankruptcy Court order approving said sale ("Court Approval"), Trustee shall provide notice of the Court Approval to Buyer. The consummation of the transaction contemplated herein is expressly subject to the Court Approval.

8.2 Authorizing Action. Within five (5) days of the execution of this Agreement, Buyer shall deliver to Seller a copy of resolutions duly passed by the members and managers, if any, of Buyer authorizing the execution, delivery and performance by Buyer of this Agreement and any other agreements or instruments referred to herein or required in connection herewith.

8.3 Access to Information: Confidentiality. Seller shall give Buyer and its authorized representatives complete reasonable access to the books, records, offices and properties related to the Business and permit Buyer to make such inspections thereof as Buyer may reasonably request. Buyer acknowledges that certain of the information which may be made available to it is proprietary

and includes confidential information. Buyer shall hold all such information in confidence and shall not disclose it to any person without the approval of Seller; provided, however, that the foregoing restriction shall not apply to any information which is or becomes publicly known or which is lawfully obtained from a third party, or to any disclosure required by law or in connection with the enforcement of Buyer's rights under this Agreement. If the transactions contemplated hereby are not consummated, Buyer shall return to Seller all documents containing proprietary information and continue to hold such information in confidence.

8.4 Best Efforts. Each party hereto shall use best efforts to cause to occur the transactions contemplated hereby and to cause all conditions to the performance of the parties hereto that are within its control to be satisfied. Each party agrees to cooperate fully to manage the operations of and the maintenance of the Processing Facility in a professional manner, in compliance with all Regulatory Agencies and in a manner that maximizes the economic returns to both Parties.

8.5 Use of Office Space. Until the Transfer Date of the Smelter Site, Seller would provide Buyer with the use of an office and a locker room with restroom and showers for Buyer's personnel upon the Smelter Site. Buyer will pay for any additional expenses, e.g., towels, soap, uniforms, and office supplies required by Buyer or its personnel. Buyer shall also be responsible for any improvements to the buildings on the Smelter Site subject to Section 8.7 below.

8.6 Equipment Lease. Buyer shall lease from Seller that certain machinery and equipment physically located on the Smelter Site and described on the attached Schedule 8.6 ("Equipment"). As consideration for the lease of the Equipment, Buyer shall pay to Seller the sum of Five Hundred Dollars (\$500.00) per month or part thereof. Upon payment in full of the Smelter Purchase Price and the NPR Purchase Price and the sale of all Slag and Scrubber Sludge and so long as Buyer is not in default under the terms hereof, Buyer may at Buyer's option, purchase the Equipment for a single payment of One Dollar (\$1.00).

8.7 Improvements. Any alterations, additions or further improvements to the Smelter Site shall be approved in advance by Seller and shall be made upon the following conditions:

(a) Buyer shall protect, indemnify, save harmless and defend Seller and the Smelter Site from and against any and all claims, damages, liabilities, costs and expenses, including attorney's fees, imposed upon, incurred by or asserted against Seller by reason of any accident, injury to or death of persons, or loss of or damage to property occurring on or about the Smelter Site in the process of, or in connection with, such construction. The foregoing indemnity shall specifically apply to those claims asserting negligence on the part of Seller.

(b) Buyer shall pay all costs for construction done or caused to be done by Buyer on the Smelter Site, and shall protect, indemnify, save harmless and defend Seller and the Smelter Site from and against (i) any and all claims, damages, liabilities, costs and expenses, including attorney's fees, imposed upon, incurred by or asserted against Seller with respect to such costs and (ii) all mechanic's liens, materialman's liens and laborer's liens arising from such construction and all attorney's fees and expenses which may be incurred by Seller in connection with the removal of such liens.

(c) Buyer shall require Buyer's contractor or contractors to furnish a performance and payment bond or bonds covering the faithful performance and completion of all construction work on the Smelter Site and the payment of all obligations arising in connection therewith. Such bond or bonds shall be in such form and written by such insurance companies as are acceptable to Seller in Seller's sole discretion, and shall name Seller and Buyer as co-obligees thereunder. Buyer shall furnish Seller with such bond or bonds prior to the commencement of any construction on the Demise Premises. In addition, Buyer shall require Buyer's contractor or contractors to pay any subcontractors or suppliers only in exchange for valid lien waivers.

(d) Buyer or Buyer's contractors shall perform such construction work in a good and workmanlike manner in accordance with the Work Plan.

(e) Buyer or Buyer's contractors shall complete all construction within a reasonable time after Seller gives its consent to same.

(f) All construction shall meet all Legal Requirements and Insurance Requirements.

(g) At all times during construction, Buyer or Buyer's contractors shall keep all portions of the Smelter Site free from dust, loose dirt, debris and equipment as is reasonable.

SECTION 9. REPRESENTATIONS AND WARRANTIES REGARDING SELLER

Seller represents and warrants to Buyer as of the date of this Agreement and during the term hereof:

9.1 Organization and Good Standing. Seller is the debtor in a Chapter 7 bankruptcy proceeding filed in the United States Bankruptcy Court for the Southern District of Illinois, Case Number 01-34066.

9.2 Power and Authorization. This sale is made pursuant to Section 363 of the Bankruptcy Code, 11 U.S.C. §363. Upon receipt of the Court Approval, the Trustee will be authorized pursuant to Section 363 of the United States Bankruptcy Code to sell the Business Assets and sign all necessary documents on behalf of the Debtor to accomplish said sale.

9.3 NOTWITHSTANDING THE FOREGOING, BUYER ACKNOWLEDGES AND AGREES THAT THE ASSETS ARE BEING SOLD "AS IS, WHERE IS" AND "WITH ALL FAULTS", THAT SELLER HAS NOT MADE AND SHALL NOT BE DEEMED TO HAVE MADE ANY ORAL OR WRITTEN REPRESENTATION OR WARRANTY CONCERNING ANY MATTER RELATING TO THE ASSETS SOLD AND CONVEYED TO BUYER HEREUNDER.

9.4 Performance of Covenants. Seller shall have performed or complied in all material respects with all of the agreements, covenants and conditions required by this Agreement to be performed or complied with by Seller prior to or at the Transfer Date.

9.5 Approvals. The Court Approval and approval of all applicable Regulatory Agencies necessary for the consummation of the transactions contemplated hereby shall have been obtained.

9.6 Legal Matters. The transfer shall not violate any order or decree of any court or governmental body of competent jurisdiction. No suit, action, proceeding or investigation, or legal or administrative proceeding shall have been brought or threatened by any person (other than the Buyer or an affiliate of Buyer) that questions the validity or legality of this Agreement or the transactions contemplated hereby.

SECTION 10. REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Seller as of the date of this Agreement and during the terms hereof:

10.1 Organization and Good Standing. Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of California, and has all necessary power and authority to carry on its business as presently conducted, to own and lease the assets which it owns and leases and to perform all its obligations under each agreement and instrument by which it is bound.

10.2 Power and Authorization. Buyer has full legal right, power and authority to enter into and perform its obligations under this Agreement and under any other agreements and documents required to be delivered by it (the "Transaction Documents"). The execution, delivery and performance by Buyer of this Agreement and the Transaction Documents have been duly authorized by all necessary action. This Agreement has been duly and validly executed and delivered by Buyer and constitutes Buyer's legal, valid and binding obligation, enforceable against Buyer in accordance with the terms herein. When executed and delivered as contemplated herein, each of the Transaction Documents shall constitute the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with the terms therein.

10.3 Performance of Covenants. Buyer shall have performed or complied in all material respects with all of the agreements, covenants and conditions required by this Agreement to be performed or complied with by Buyer prior to or at the Transfer Date.

10.4 Approvals. The Court Approval and approval of such other appropriate governmental agencies necessary for the consummation of the transactions contemplated hereby shall have been obtained.

10.5 Legal Matters. The transfer shall not violate any order or decree of any court or governmental body of competent jurisdiction. No suit, action, proceeding or investigation, or legal or administrative proceeding shall have been brought or threatened by any person (other than the Seller or an affiliate of Seller) that questions the validity or legality of this Agreement or the transactions contemplated hereby.

**SECTION 11.
TRANSFER DATE/CLOSING COSTS**

11.1 Time and Place of Transfer.

(a) Title to the Smelter Site will remain with Seller until such time as the Smelter Purchase Price has been paid in full and the Scrubber Sludge and Slag have been processed and/or sold. Upon payment in full of the Smelter Purchase Price, Trustee shall execute a trustee's deed transferring title to Buyer, which deed shall be held in escrow by Trustee until the Scrubber Sludge and Slag have been processed and/or sold.

(b) Title to the NPR Property will remain with Seller until such time as the NPR Purchase Price has been paid in full. Upon payment in full of the NPR Purchase Price, Trustee shall execute and deliver to Buyer a trustee's deed transferring title to Buyer.

11.2 Title/Real Estate Taxes.

(a) Seller shall, within fifteen (15) days from the date hereof, furnish Buyer with a commitment for title insurance prepared by Chicago Title Insurance Company, showing fee simple, marketable title in the Smelter Site vested in Seller. To the extent Buyer desires to obtain a title policy for the Smelter Site as of the Transfer Date, Buyer shall be responsible for all costs associated with said policy. Seller and Buyer shall prorate real estate taxes on the Smelter Site as of the Transfer Date.

(a) Seller shall, within fifteen (15) days from the date hereof, furnish Buyer with a commitment for title insurance prepared by Chicago Title Insurance Company, showing fee simple, marketable title in the NPR Property vested in Seller. To the extent Buyer desires to obtain a title policy for the NPR Property as of the Transfer Date, Buyer shall be responsible for all costs associated with said policy. Seller and Buyer shall prorate real estate taxes on the NPR Property as of the Transfer Date.

11.3 Expenses of Seller. Seller shall pay the following expenses related to the transfer of the Smelter Site and the NPR Property:

(a) All real estate transfer fees and transfer taxes, provided that Seller shall seek a waiver of such fees in the Sale Order in accordance with section 1146 of the Bankruptcy Code; and

(b) The cost of the title commitment provided by Seller to Buyer with respect to the Smelter Site and the NPR Property; and

(c) All other expenses incurred by Seller in the course of performing its obligations under this Agreement.

11.4 Expenses of Buyer. Buyer shall pay the following expenses related to the transfer of the Smelter Site and the NPR Property:

- (a) The fees for filing and recording the deeds;
- (b) The costs of any title policy or lenders policy ordered by or on behalf of Buyer with respect to the Smelter Site and the NPR Property; and
- (c) All other expenses incurred by Buyer in the course of performing its obligations under this Agreement.

SECTION 12. TERMINATION AND ABANDONMENT

12.1 Termination. This Agreement may be terminated and the transactions contemplated herein may be abandoned at any time prior to the Transfer Date:

- (a) by the Bankruptcy Court or such court having jurisdiction over the Seller's bankruptcy estate;
- (b) by mutual consent of all parties hereto;
- (c) by Seller, if (i) any representation or warranty of Buyer made in or pursuant to this Agreement is untrue or incorrect in any material respect, (ii) Buyer materially breaches the covenants or other terms of this Agreement or (iii) Buyer fails to pay the Smelter Purchase Price in full by the third anniversary of the Court Approval or the NPR Purchase Price by the fourth anniversary of the Court Approval.

12.2 Procedure for Termination. A party terminating this Agreement pursuant to Section 12.1 shall give written notice thereof to each other party hereto, and the Deposit shall be applied as provided in Section 12.3, whereupon this Agreement shall terminate and the transactions contemplated hereby shall be abandoned without further action by any party.

12.3 Application of Deposit, Smelter Purchase Price and NPR Purchase Price.

- (a) Seller shall return the Deposit to Buyer if this Agreement is terminated prior to Court Approval by Seller or if the Bankruptcy Court does not approve the Agreement.
- (b) Seller shall retain the Deposit in all other cases where this Agreement is terminated under Section 12.1.
- (c) In the event that this Agreement is terminated after Court Approval by prior to the Transfer Date, any and all portions of the Smelter Purchase Price and the NPR Purchase Price paid by Buyer or deemed to have been paid by Buyer shall be retained by Seller.

12.4 Limitation on Termination. In the event the Buyer fails to close in violation of this Agreement, the Buyer shall be liable to the Seller for any and all damages, expenses and losses sustained by the Seller as a direct or indirect consequence of the Buyer's breach. Notwithstanding anything contrary in this Agreement, in the event the Seller is unable, for any reason, to consummate the sale to the Buyer or to execute and deliver any and all closing documents, the Seller's sole liability to the Buyer shall be limited to the return of the Buyer's Deposit.

SECTION 13. MISCELLANEOUS

13.1 Acknowledgment. The parties acknowledge that this sale is undertaken pursuant to Section 363 of the Bankruptcy Code, 11 U.S.C. 363.

13.2 Survival of Representations and Warranties. The representations and warranties made by the parties in this Agreement and in the certificates, documents and schedules delivered pursuant hereto shall survive the consummation of the transactions herein contemplated for a period of two (2) years following the Transfer Date.

13.3 Costs and Expenses. Except as otherwise expressly provided herein, each party shall bear its own expenses in connection herewith, including without limitation, any and all legal and accounting fees, transfer, sales, use, documentary and similar taxes, and recording and filing fees, incurred in connection with the transactions contemplated herein.

13.4 Public Announcements. Neither Seller nor Buyer shall make any public announcement or disclosure relating to the transactions contemplated herein without the prior agreement of each other party hereto, provided that each party shall use best efforts to consult with the other in advance of any disclosure required by law, but the agreement of the other parties hereto shall not be required.

13.5 Notices. All notices or other communications permitted or required under this Agreement shall be in writing and shall be sufficiently given if and when hand delivered to the persons set forth below or if sent by documented overnight delivery service or registered or certified mail, postage prepaid, return receipt requested, or by telegram, telex or telecopy, receipt acknowledged, addressed as set forth below or to such other person or persons and/or at such other address or addresses as shall be furnished in writing by any party hereto to the others. Any such notice or communication shall be deemed to have been given as of the date received, in the case of personal delivery, or on the date shown on the receipt or confirmation therefor in all other cases.

To Buyer:

Industrial Asset Disposition, LLC
c/o Elliott G. Stegin
1812 Aston Avenue
Carlsbad, CA 92008

With a copy to:

John Alessio
Procopio, Cory, Hargreaves & Savitch, LLC
530 B Street, 21st Floor
San Diego, CA 92101

To Seller:

Chemetco, Inc.
3574 Chemetco Lane
Hartford, Illinois 62048

With a copy to:

Laura Grandy, Trustee
Mathis, Marifian, Richter & Grandy, Ltd.
23 Public Square
Suite 300
Belleville, IL 62220

13.6 Assignment and Benefit.

(a) Seller or Buyer shall not assign this Agreement or any rights hereunder, or delegate any obligations hereunder, without prior written consent of the other party. Subject to the foregoing, this Agreement and the rights and obligations set forth herein shall inure to the benefit of, and be binding upon, the parties hereto, and each of their respective permitted successors, heirs and assigns.

(b) This Agreement shall not be construed as giving any person, other than the parties hereto and their permitted successors, heirs and assigns, any legal or equitable right, remedy or claim under or in respect of this Agreement or any of the provisions herein contained, this Agreement and all provisions and conditions hereof being intended to be, and being, for the sole and exclusive benefit of such parties, and permitted successors, heirs and assigns and for the benefit of no other person or entity.

13.7 Bankruptcy Court. All disputes arising out of or relating to this Agreement or the Transaction Documents which cannot be settled by the parties shall promptly be submitted to and determined by the Bankruptcy Court having jurisdiction over this transaction.

13.8 Amendment, Modification and Waiver. The parties may amend or modify this Agreement in any respect with approval of the Bankruptcy Court. Any such amendment, modification, extension or waiver shall be in writing. The waiver by a party of any breach of any provision of this Agreement shall not constitute or operate as a waiver of any other breach of such provision or of any other provision hereof, nor shall any failure to enforce any provision hereof operate as a waiver of such provision or of any other provision hereof.

13.9 Governing Law. This Agreement is made pursuant to, and shall be construed and enforced in accordance with, the laws of the State of Illinois (and United States federal law, to the extent applicable), irrespective of the principal place of business, residence or domicile of the parties hereto, and without giving effect to otherwise applicable principles of conflicts of law.

13.10 Section Headings and Defined Terms. The section headings contained herein are for reference purposes only and shall not in any way affect the meaning and interpretation of this Agreement. The terms defined herein and in any agreement executed in connection herewith include the plural as well as the singular and the singular as well as the plural, and the use of masculine pronouns shall include the feminine and neuter. Except as otherwise indicated, all agreements defined herein refer to the same as from time to time amended or supplemented or the terms thereof waived or modified in accordance herewith and therewith.

13.11 Severability. The invalidity or unenforceability of any particular provision, or part of any provision, of this Agreement shall not affect the other provisions or parts hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions or parts were omitted.

13.12 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original; and any person may become a party hereto by executing a counterpart hereof, but all of such counterparts together shall be deemed to be one and the same instrument. It shall not be necessary in making proof of this Agreement or any counterpart hereof to produce or account for any of the other counterparts.

13.13 Entire Agreement. This Agreement, and the agreements, exhibits, schedules and certificates referred to herein or delivered pursuant hereto, constitute the entire agreement between the parties hereto with respect to the purchase and sale of the Business Assets and supersede all prior agreements and understandings. The submission of a draft of this Agreement or portions or summaries thereof does not constitute an offer to purchase or sell the Business Assets, it being understood and agreed that neither Buyer nor Seller shall be legally obligated with respect to such a purchase or sale or to any other terms or conditions set forth in such draft or portion or summary unless and until this Agreement has been duly executed and delivered by all parties.

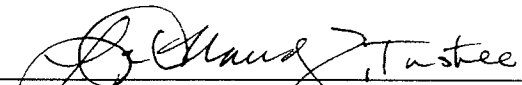
13.14 Trustee. It is hereby acknowledged and agreed that any provision herein applicable to the Trustee shall apply to the Trustee, not individually but solely in her representative capacity as Trustee of the Estate.

[signature page to follow]

IN WITNESS WHEREOF, each of the parties hereto has duly executed this Agreement, under seal, all as of the date first above written.

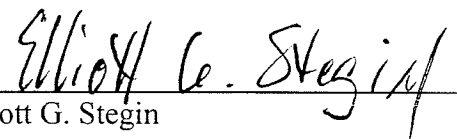
SELLER:

CHEMETCO, INC.

By: 
Laura K. Grandy, Trustee of the Bankruptcy Estate,
Case No. 01-34066, duly authorized

BUYER:

INDUSTRIAL ASSET DISPOSITION, LLC

By: 
Name: Elliott G. Stegin
Its: Managing Member

Schedule 1.1
Legal Description

Smelter Site: Title commitment to govern.

NPR Property: Title commitment to govern.

Schedule 1.2
Excluded Assets

- i. all Scrubber Sludge and Slag located on the Smelter Site, consisting of approximately thirty thousand (30,000) to fifty thousand (50,000) tons of Scrubber Sludge and approximately nine hundred thousand (900,000) tons of Slag, various and sundry feed stocks, "in-process" materials (i.e. materials contained within or around the existing processing equipment) and sediments and dusts associated with environmental clean-ups. "Slag" shall mean, in general, material recovered from the copper processing plant as a liquid, transported outside the processing buildings and placed in appropriate stockpiles where it has cooled, by air or water, and solidified. "Scrubber Sludge" shall mean, in general, material recovered from the dust collection system operated in conjunction with the Seller's former copper processing plant; and
- ii. Cupro, pot slag and furnace dust; and
- iii. Three (3) Metallo-70 ton gas top blown rotary converters (TBRC's), including the tilt gear boxes, the support rings, the connection rings, the Rothe Erde bearings, the tilt bearings, the Rollstar tilt gear boxes, the pedestals, and the Montan oil feed associated with each TBRC, an additional spare part connection ring and any scrap steel cut therefrom ("Furnaces") to be sold to a third party by separate contract ("Furnace Purchaser"); provided, however; in the event the Furnace Purchaser fails to purchase the Furnaces, Buyer is hereby granted an option to purchase the Furnaces from Seller upon at least the same terms as Furnace Purchaser; and
- iv. Books and records (and filing cabinets containing same) of Seller located throughout the site and computer systems, including the Wang computer system and AS computer system, and office equipment related to said records.

Schedule 8.6
Leased Equipment

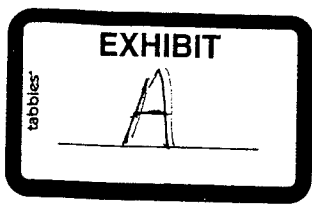
See attached.

Schedule 8.6

Building	Sq. Ft.	Original Built	Original Cost	Equipment in Building
Main Office Building	9,600 sq. ft	1970	\$276,934.00	Office furniture consisting of desks, file cabinets, conference tables, chairs, credenza, computers, refrigerators shelf units 3 - locker rooms w/lockers security cameras & alarm system telephone system (for offices and thru out plant)
		Addition 1975	\$133,560.00	
		Addition 1986	\$113,869.00	
		Total original cost \$524,363.00		
Plant Office Building	4,600 sq. ft.	1987	\$328,568.00	Office furniture consisting of desks, file cabinets, conference tables, chairs, copier, fax machine printers, computers, safe, engineer tables, blue print files refrigerator
Truck Scale		Last repaired 2007	\$5,000.00	
Scale Office	195 sq. ft		\$3,500.00	
Receiving Building & Lab	5,400 sq. ft	1974 Morgan building	\$276,044.00 \$1,800.00	spectrometer
Mobile Shop Building	4,400 sq. ft	1995	\$102,000.00	Equipment consisting of Air compressor Lubrication system Shelving Tool Crib Diesel fuel tanks gas tank used oil tank portable diesel fuel tank welders

Schedule 8.6

				pressure washer gas heaters cutting torch cutting torch and cart portable scale
Storeroom Building	5,000 sq. ft	1973	\$112,000.00	Shelving & subflooring
Brick Shop Building	3,600 sq. ft	1995	\$164,593.00	Alarm system
Maintenance/Zinc Building	59,000 sq. ft	1972	\$2,000,000.00	Equipment consisting of 2 zinc presses 2 supersac loaders 1-10 ton Crane Mfg. S/N 623 1-10 ton Crane Mfg. S/N 624 60 gallon air compressor 863 bobcat Hyundai 290 Excavator Cat 966F Wheel loader Hyster 50 forklift Clark forklift Tennant sweeper
Mobile Equipment				
Shower trailer w/lockers				
Norweco septic system				2 systems
Yard Scale				



UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF ILLINOIS

IN RE:)
) Case No. 01-34066
CHEMETCO, INC.,)
)
Debtor) Chapter 7

8

**NOTICE OF ENTRY OF SEAL ORDER PURSUANT TO SECTION 34
OF THE ILLINOIS ENVIRONMENTAL PROTECTION ACT**

Now comes James E. Ryan, Attorney General of the State of Illinois, on behalf of the Illinois Environmental Protection Agency and submits this Notice of Entry of Seal Order pursuant to Section 34 of the Illinois Environmental Protection Act for purposes of protection of human health by restricting access to portions of the Hartford, Illinois, facility of the Debtor, Chemetco, Inc.

1. Pursuant to Section 34(b) of the Illinois Environmental Protection Act, 415 ILCS 5/34(b) (2000), the Illinois Environmental Protection Agency (the "Illinois EPA") is authorized, pursuant to the State's police and regulatory power, to issue a seal order to restrict or eliminate access to property when an emergency condition exists creating an immediate danger to health.

2. As a result of the manner in which Chemetco ceased operations at the Hartford facility, an emergency condition creating an immediate danger to health exists throughout much of the Hartford facility, including the smelting building and the fines building. Therefore, the Illinois EPA has issued a Seal Order, attached hereto as Attachment A covering certain portions of the Hartford facility where conditions exist which pose an immediate danger to health.

3. Under the Seal Order, access to sealed portions of the facility would be subject to review, approval, and conditions set by Illinois EPA.

4. Pursuant to 11 U.S.C 362(b)(4), the issuance of the Seal Order would not be subject to

the automatic stay under 11 U.S.C. 362(a)(1) or (3) as a proceeding to enforce the State's police and regulatory power. The state has notified the Trustee of its intent to issue the Seal Order and as of the date of filing of this motion, the Trustee has not objected to issuance of the Seal Order to protect human health.

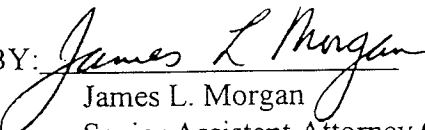
5. The Illinois EPA agrees that the Trustee shall be provided access to the sealed portion of the facility under conditions necessary to protect human health for purposes of performing her duties as Trustee and the Seal order recognizes the opportunity to obtain such access.

WHEREFORE, the Illinois Environmental Protection Agency notifies this Court of the entry of the attached Seal Order.

Respectfully submitted,

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

JAMES E. RYAN
ATTORNEY GENERAL
STATE OF ILLINOIS

BY: 
James L. Morgan
Senior Assistant Attorney General
Environmental Bureau
500 South Second Street
Springfield, Illinois 62706
Phone: 217-524-7506; Telefax: 217-524-7740

DEC 23 2001 11:58

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

IN THE MATTER OF:)
)
Chemetco, Inc. facility, Madison County.)

SEAL ORDER

The Illinois Environmental Protection Agency ("Illinois EPA") issues this seal order pursuant to the authority vested in it by Section 34(b) of the Illinois Environmental Protection Act ("Act"), 415 ILCS 5/34(b).

I. DESCRIPTION AND LOCATION OF FACILITY

The Chemetco, Inc. facility ("Facility") is located in Hartford, Madison County, Illinois. The portions of the Facility to which this seal order applies are as follows:

- a. All areas within the fencing in place surrounding the plant portion of the Facility as of the date of this order, excluding the main office. See Attachment A.
- b. The truck parking area consisting of fill and slag that is located to the south of the fenced portion of the Facility and is adjacent to Oldenburg Road. See Attachment B.
- c. The area impacted by the illegal discharge south of the fenced portion of the Facility, including the four containment areas and that portion of Long Lake owned by Chemetco, Inc. See Attachment C.
- d. The area containing the groundwater interceptor system, known as the SID system, located south of the fenced portion of the facility and east of the discharge area. See Attachment B.
- e. The surface impoundment located south of Oldenburg Road and east of the SID system. See Attachment B.

II. PARTIES BOUND

This order is binding on and prohibits entry onto the sealed portions of the Facility for all persons except the following:

- a. Employees, authorized agents or contractors of the Illinois EPA.
- b. Employees, authorized agents or contractors of the United States Environmental Protection Agency.
- c. Local police, fire and emergency personnel entering in the course of their duties.
- d. Other persons who have received written authorization to enter the Facility from the Illinois EPA and who enter the Facility in a manner in accordance with any instructions contained within the written authorization.

III. FINDINGS

1. The Facility is a former copper smelter located in Hartford, Madison County, Illinois. During its operation, the Facility generated sludges, baghouse dust, refractory brick, acids and other materials.
2. The operator of the Facility, Chemetco, Inc., filed bankruptcy under Chapter 7 in the U.S. Bankruptcy Court for the Southern District of Illinois on November 13, 2001 and is no longer managing the Facility.
3. The Facility has eight hazardous waste management units subject to closure requirements under the Resource Conservation and Recovery Act ("RCRA"). Closure has not been completed at any of these units.
4. A large pile of slag, estimated to be in excess of 100,000 tons, is located at the facility. This slag has tested as hazardous for the toxicity characteristic for lead. Slag fines are also located on the pile of slag.

5. A large bunker, known as the zinc oxide bunker, also contains sludges that have tested hazardous for the toxicity characteristic for lead.
6. Chemetco, Inc. pled guilty in the U.S. District Court for the Southern District of Illinois to violating the Clean Water Act by discharging wastewaters containing hazardous levels of lead and cadmium into a wetlands area and Long Lake over the course of approximately ten years. This discharge took place to the south of the fenced portion of the Facility, across Oldenberg Road and resulted in the deposition of hazardous contaminants in a wetlands area and Long Lake. The RCRA closure plan for the areas related to this discharge has not been completed.
7. A groundwater interceptor system, known as the SID system, is located to the south of the fenced portion of the facility and east of the discharge area.
8. A surface water impoundment is located to the south of the fenced portion of the Facility. This impoundment has received waters from the plant that may contain contaminants. The impoundment also does not have any physical barrier to access.
9. Fines and other materials containing hazardous levels of lead and cadmium are uncontained and located throughout the Facility.
10. The various contaminants described may become airborne and may be transported by flowing water.
11. The conditions at the Facility constitute an emergency that may pose an immediate threat to human health for any person entering into the Facility.

IV. ORDER

Pursuant to Section 34(b) of the Act the Facility is hereby sealed as indicated in this order, effective on the date of execution. Unauthorized entry into the areas described

in Section I is prohibited. This order shall remain in effect until rescinded by the Illinois
EPA.

A handwritten signature in cursive script, reading "Renee Cipriano", is written over a horizontal line. The signature is fluid and extends slightly beyond the line on both sides.

Renee Cipriano
Director

Dated: 12/4/01

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF ILLINOIS

IN RE:)	
)	Case No. 01-34066
CHEMETCO, INC.,)	
)	
Debtor)	Chapter 7

**NOTICE OF ENTRY OF SEAL ORDER PURSUANT TO SECTION 34
OF THE ILLINOIS ENVIRONMENTAL PROTECTION ACT**

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the automatic stay under 11 U.S.C. 362(a)(1) or (3) as a proceeding to enforce the State's police and regulatory power. The state has notified the Trustee of its intent to issue the Seal Order and as of the date of filing of this motion, the Trustee has not objected to issuance of the Seal Order to protect human health.

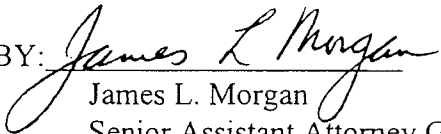
5. The Illinois EPA agrees that the Trustee shall be provided access to the sealed portion of the facility under conditions necessary to protect human health for purposes of performing her duties as Trustee and the Seal order recognizes the opportunity to obtain such access.

WHEREFORE, the Illinois Environmental Protection Agency notifies this Court of the entry of the attached Seal Order.

Respectfully submitted,

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

JAMES E. RYAN
ATTORNEY GENERAL
STATE OF ILLINOIS

BY: 

James L. Morgan
Senior Assistant Attorney General
Environmental Bureau
500 South Second Street
Springfield, Illinois 62706
Phone: 217-524-7506; Telefax: 217-524-7740

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

IN THE MATTER OF:)
)
Chemetco, Inc. facility, Madison County.)

SEAL ORDER

The Illinois Environmental Protection Agency (“Illinois EPA”) issues this seal order pursuant to the authority vested in it by Section 34(b) of the Illinois Environmental Protection Act (“Act”), 415 ILCS 5/34(b).

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- c. The area impacted by the illegal discharge south of the fenced portion of the Facility, including the four containment areas and that portion of Long Lake owned by Chemetco, Inc. See Attachment C.
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This order is binding on and prohibits entry onto the sealed portions of the Facility for all persons except the following:

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- b. Employees, authorized agents or contractors of the United States Environmental Protection Agency.
- c. Local police, fire and emergency personnel entering in the course of their duties.
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1. The Facility is a former copper smelter located in Hartford, Madison County, Illinois. During its operation, the Facility generated sludges, baghouse dust, refractory brick, acids and other materials.
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IV. ORDER

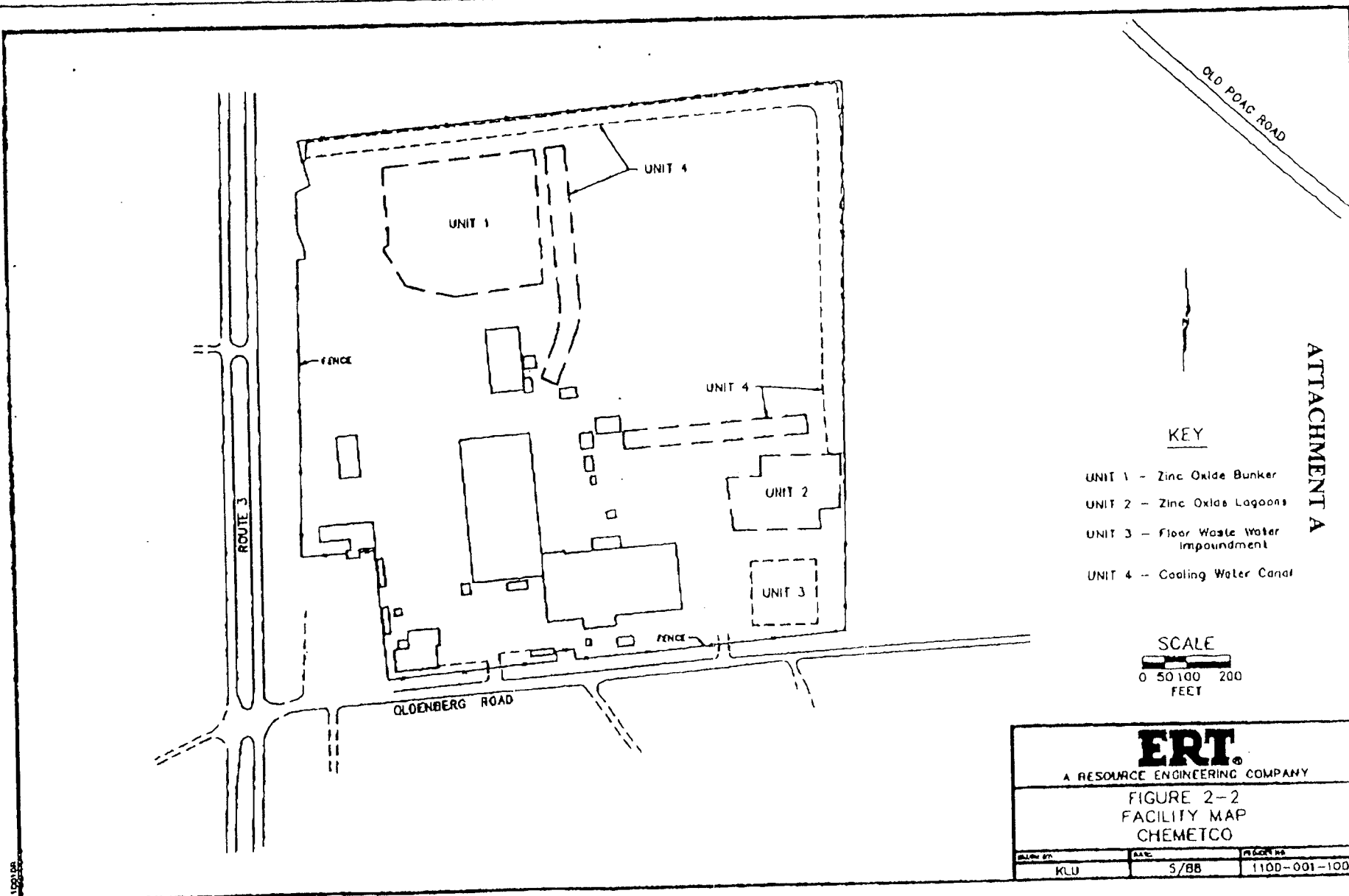
Pursuant to Section 34(b) of the Act the Facility is hereby sealed as indicated in this order, effective on the date of execution. Unauthorized entry into the areas described

in Section I is prohibited. This order shall remain in effect until rescinded by the Illinois
EPA.

A handwritten signature in black ink, appearing to read "Renée Cipriano", is written over a horizontal line.

Renée Cipriano
Director

Dated: 12/4/01



ATTACHMENT B

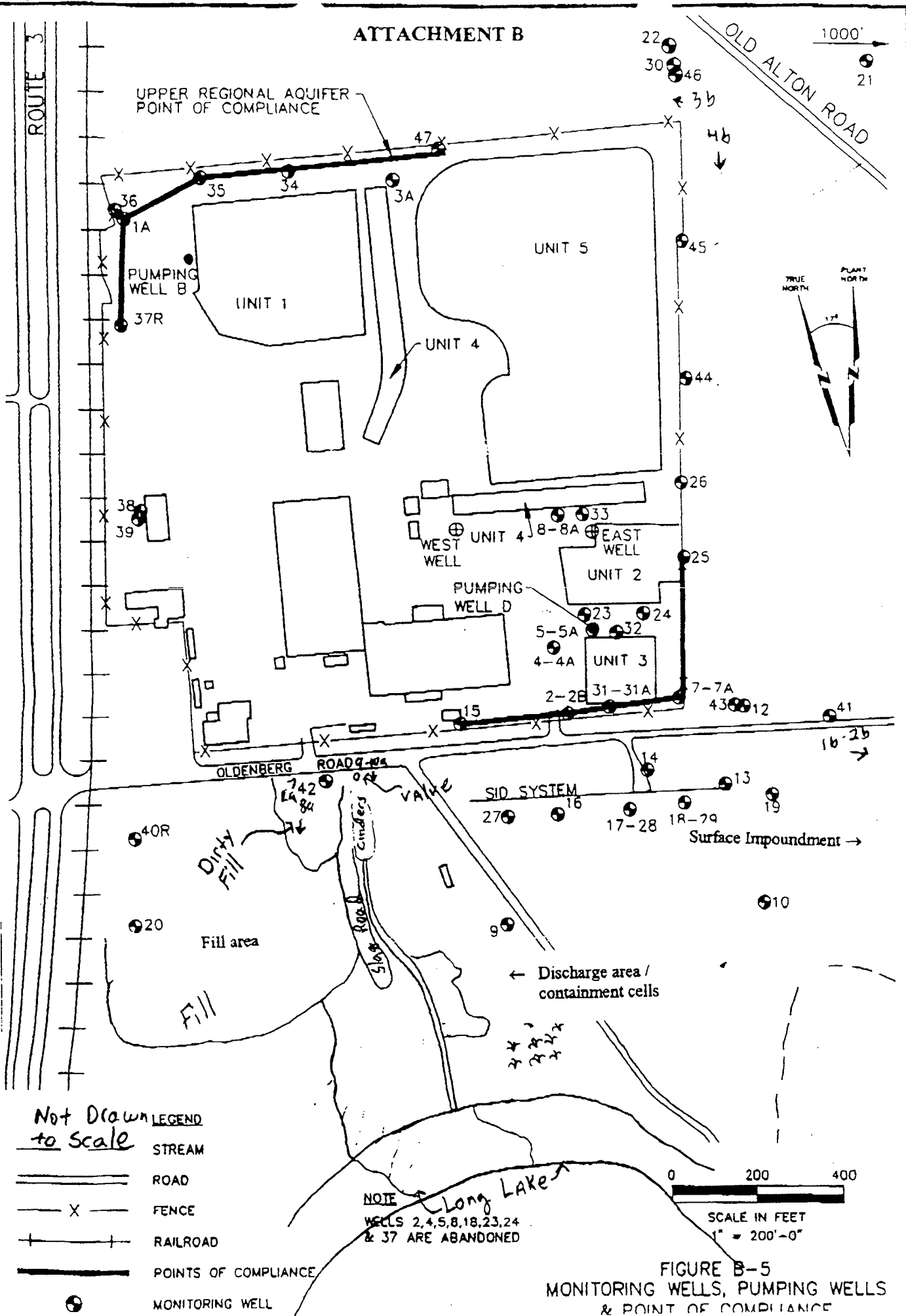
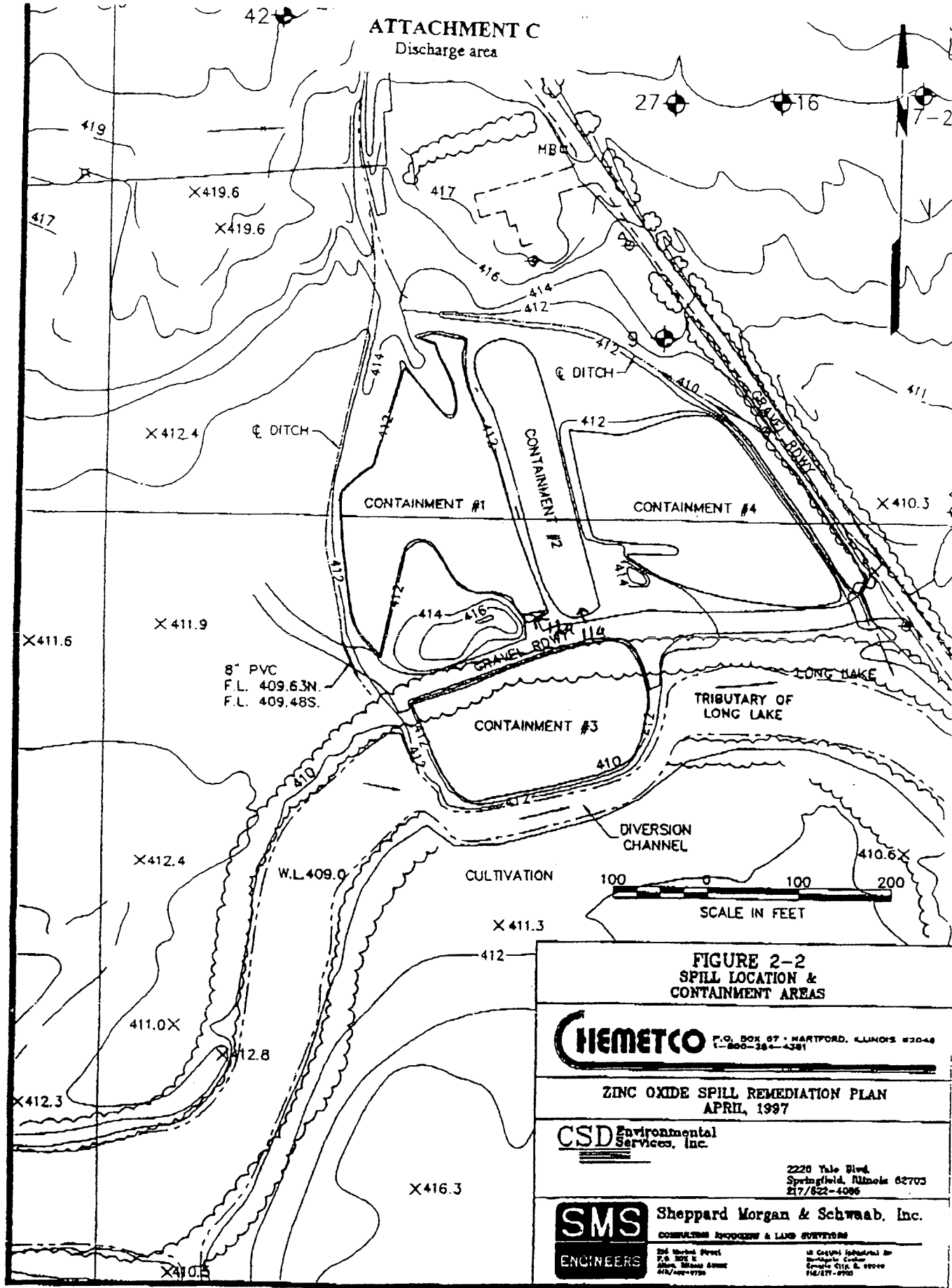


FIGURE B-5
MONITORING WELLS, PUMPING WELLS
& POINT OF COMPLIANCE



**FIGURE 2-2
SPILL LOCATION &
CONTAINMENT AREAS**

CIEMETCO P.O. BOX 87 • HARTFORD, CONNECTICUT 06108
1-800-384-4381

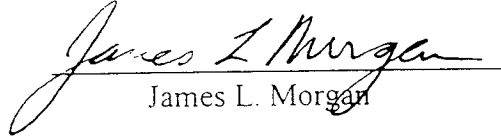
**ZINC OXIDE SPILL REMEDIATION PLAN
APRIL, 1997**

CSD Environmental Services, Inc.
2220 Yale Blvd.
Springfield, Illinois 62703
217/822-4086

SMS Sheppard Morgan & Schwaab, Inc.
CONSULTING ENGINEERS & LAND SURVEYORS
2nd Market Street
P.O. BOX 1
Hartford, Connecticut 06103
603/426-1770

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing Notice of Entry of Seal Order Pursuant to Section 34 of the Illinois Environmental Protection Act served on this date on the persons identified on the attached service list by U.S. Mail, postage pre-paid.


James L. Morgan

DATED: 12-6-01

SERVICE LIST

Laura K. Grandy
U.S. Trustee
Mathis, Marifian, Richter & Grandy, Ltd.
720 West Main Street, Suite 100
Belleville, IL 62220

Teresa A. Generous
10 South Broadway
St. Louis, MO 63102-1774

Edward J. Hopper
Office of the United States Trustee
401 Main Street, Suite 1100
Peoria, IL 61602

Dan Nester
Bryan Cave
1 Metropolitan Square, Suite 3600
St. Louis, MO 63102

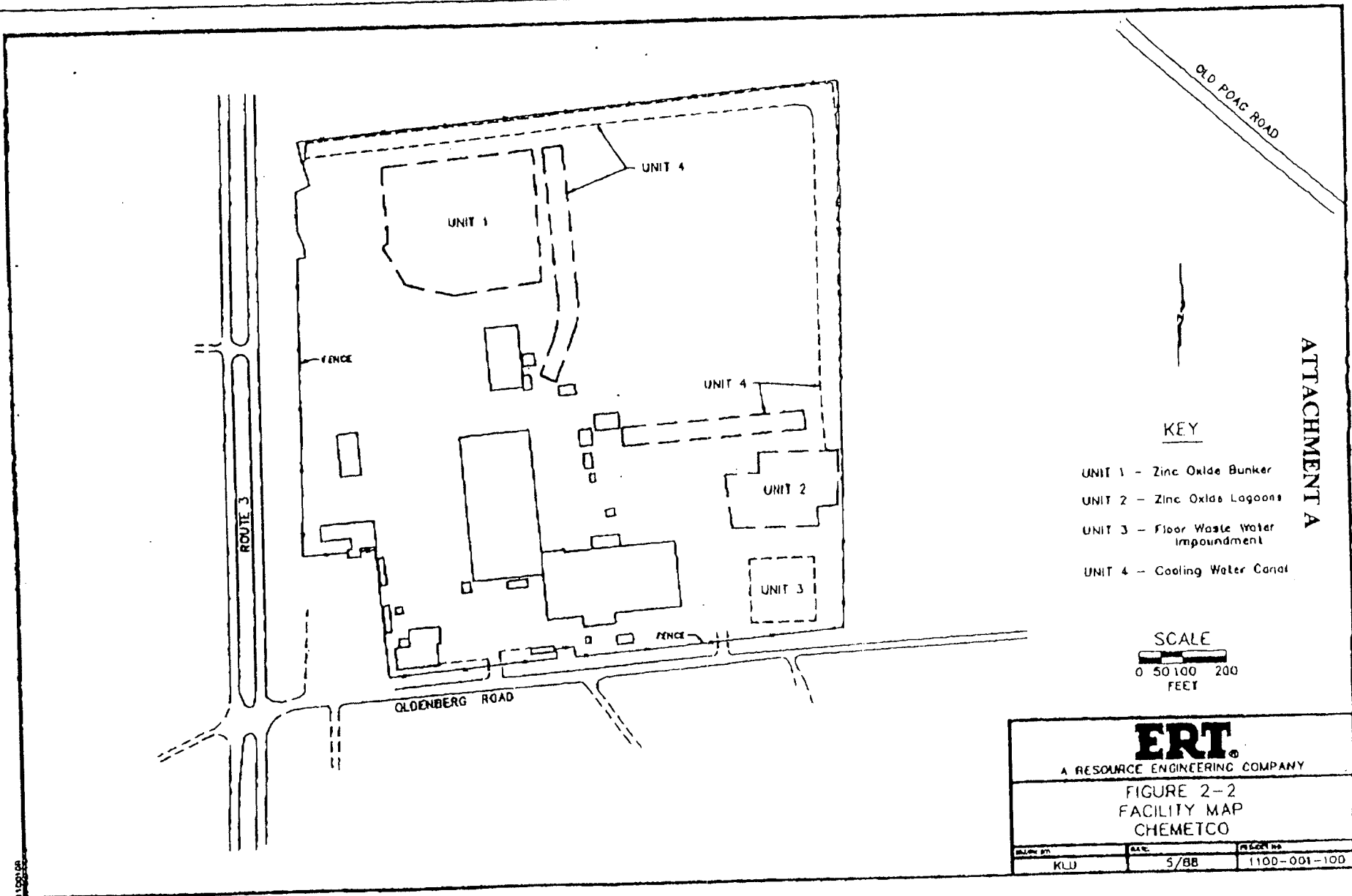
Penni Livingston
6001 Old Collinsville Road
Fairview Heights, IL 62208

Steven J. Reisman
Curtis, Mallet-Prevost, Colt & Mosle, LLP
101 Park Avenue
New York, NY 10178-0061

1198010003 – Madison County
Chemetco, Inc.
ILD048843809

ATTACHMENT A

1. All personnel entering the Fines Storage/Processing Building, Slag Granulation and Processing Building and the Foundry Area must wear the appropriate level of respiratory protection for lead and cadmium exposure pursuant to U.S. Department of Labor Occupational Health and Safety Administration regulations.
2. All street sweeping equipment, rubber wheeled vehicles and track equipment must be decontaminated prior to removal from the sealed portions of the Facility. All decontamination residues must be managed pursuant to 35 Ill. Adm. Code Parts 703, 721, 722, 724, 724, 728 and 808 of the Illinois Pollution Control Board Regulations.
3. All hazardous materials and hazardous wastes removed from the sealed portions of the Facility must be packaged, labeled, marked and shipped pursuant to U.S. Department of Transportation and U.S. Environmental Protection Agency regulations.
4. No eating, drinking or smoking in the sealed portions of the Facility, except in the main office buildings.
5. Movement of scrap or other material and vehicular traffic must be conducted in a manner that will minimize the release of particulate fugitive emissions to the atmosphere. A Fugitive Emissions Control Plan, that will achieve a level of 95 percent control, must be submitted and approved by the Illinois Environmental Protection agency prior to removal of material from the Chemetco site.
6. All visitors entering into the sealed portions of the Facility must sign in at the security station and provide identification.
7. All personnel entering the sealed portions of the Facility must wear personal protective equipment that includes hard hats, safety glasses with side shields and hard-soled shoes. All safety equipment must meet and be used in accordance with all applicable U.S. Department of Labor Occupational Health and Safety Administration regulations.
8. All personnel not designated by this letter to enter the sealed portions of the Facility must obtain written permission from the Illinois Environmental Protection Agency, 2009 Mall Street Collinsville, Illinois 62234 (618) 346-5120.
9. No hunting, fishing or use of all terrain vehicles on the sealed portions of the Facility.



ATTACHMENT B

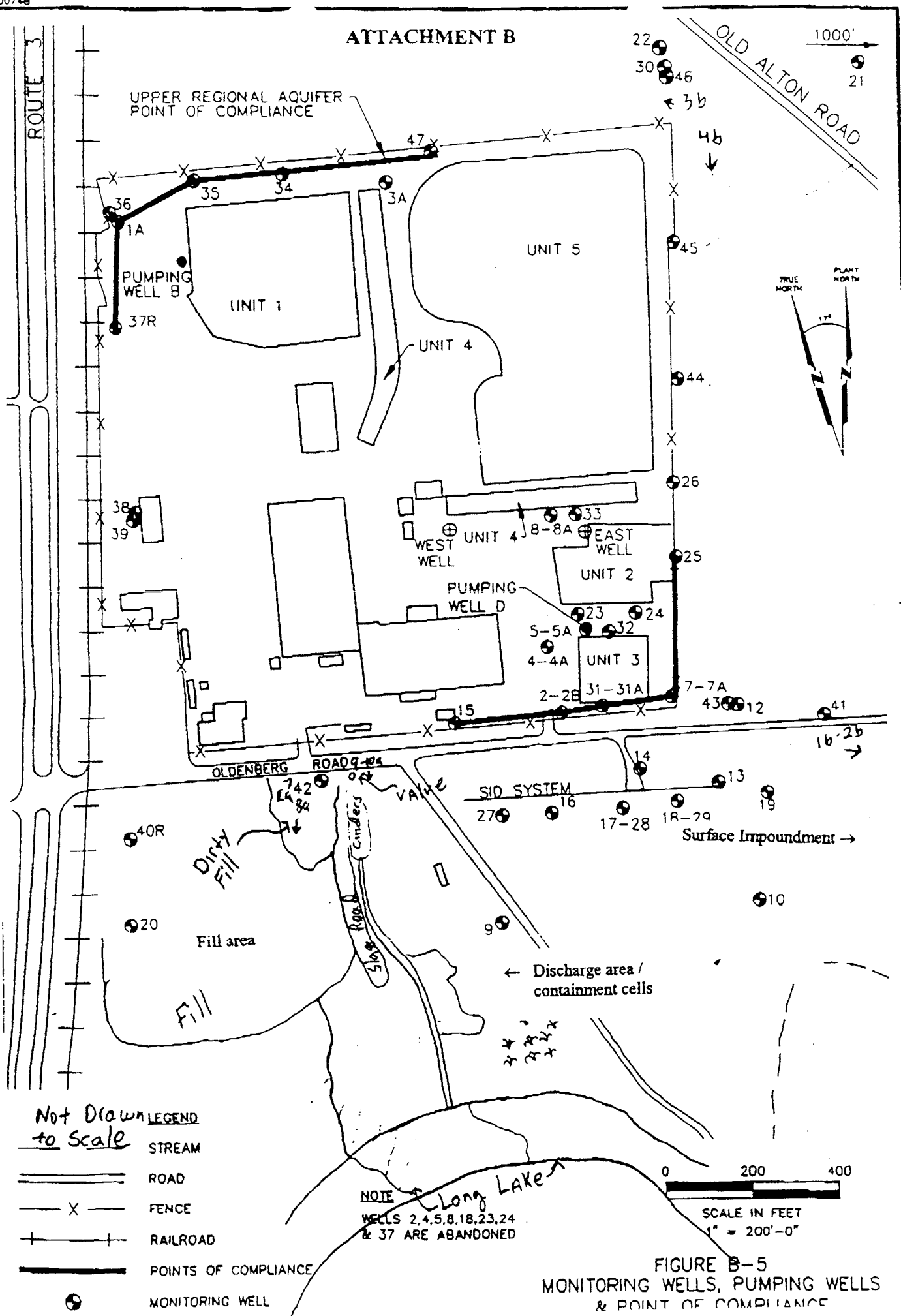
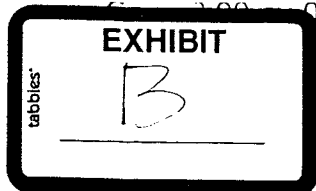


FIGURE B-5
MONITORING WELLS, PUMPING WELLS
& POINT OF COMPLIANCE

**FILED**

SEP 16 2008

CLERK, U.S. DISTRICT COURT
SOUTHERN DISTRICT OF ILLINOIS
EAST ST. LOUIS OFFICE

UNITED STATES OF AMERICA,)
 Plaintiff,)
 v.)
 CHEMETCO, INC.,)
 Defendant.)
 _____)
 PEOPLE OF THE STATE OF)
 ILLINOIS, *ex rel.* LISA MADIGAN,)
 ATTORNEY GENERAL OF THE STATE)
 OF ILLINOIS,)
 Plaintiff,)
 v.)
 CHEMETCO, INC.,)
 Defendant.)

Civil Nos. 00-670-DRH
 00-677-DRH (consolidated)
 CJRA Track C

Hon. David R. Herndon
 U.S. District Judge

Magistrate Judge Donald G. Wilkerson

INTERIM ORDER

I. BACKGROUND

WHEREAS, Plaintiff United States of America ("United States"), on behalf of the Administrator of the United States Environmental Protection Agency ("U.S. EPA"), filed a Complaint in this Court against Chemetco, Inc. ("Chemetco" or "Defendant"), seeking injunctive relief and civil penalties for alleged civil violations of the Clean Water Act, 33 U.S.C. § 1251 *et seq.*, and the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. § 6901 *et seq.*, that occurred at Chemetco's secondary copper smelting facility in Hartford, Illinois ("Chemetco Facility").

WHEREAS, Plaintiff, People of the State of Illinois, *ex rel.* Lisa Madigan, Attorney General of the State of Illinois ("State of Illinois" or "State"), contemporaneous with the filing of the United States' Complaint, filed a Complaint in this Court against Chemetco, Inc. pursuant to Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. § 9607, seeking, among other things: (1) reimbursement of costs incurred and to be incurred by the State of Illinois in responding to the release and/or threatened release of Hazardous Substances at the

Chemetco Facility; and (2) a declaratory judgment, pursuant to CERCLA Section 113(g)(2), 42 U.S.C. § 9613(g)(2), on Chemetco's liability for future response costs associated with the Chemetco Facility. The State's Complaint also seeks injunctive relief and civil penalties for alleged violations of the Illinois Environmental Protection Act, 415 ILCS 5/1, *et seq.*, (2002) ("State Act"), at the Chemetco Facility. On October 16, 2001, the United States' Complaint and the State's Complaint were consolidated for purposes of discovery and trial.

WHEREAS, on November 13, 2001, Chemetco filed a voluntary petition under Chapter 7 of the Bankruptcy Code. *See In re Chemetco*, No. 01-34066 (Bankr. S.D. Ill.) ("the Bankruptcy Case"). Laura K. Grandy was appointed Trustee to take control of the bankruptcy estate ("Estate") and has proceeded with the liquidation of Chemetco, Inc.

WHEREAS, the Trustee disputes many of the contentions and allegations of the State of Illinois in its Complaint.

WHEREAS, the State and the Trustee recognize that mismanagement of the Facility by the previous owners and operators of the Chemetco Facility resulted in conditions that may pose a threat or threats to the public health or welfare or the environment.

WHEREAS, the State acknowledges that the Trustee has expended considerable Estate funds to maintain and preserve the Facility and to prevent further releases to the environment.

WHEREAS, the Trustee has identified on-site Work ("Work") to be undertaken by the Trustee as an alternative to the injunctive relief sought in the Complaints which, if feasible, will allow for recovery of value from certain materials accumulated at the Chemetco Facility.

WHEREAS, all Work conducted under this Interim Order shall be conducted consistent with the terms and conditions of Work Plans to be proposed by the Trustee and approved by the State.

WHEREAS the Trustee developed the Work to be implemented under this Interim Order in an effort to continue the liquidation of Facility Assets and move the Chemetco Facility toward compliance

with the applicable environmental laws. The work to be performed under this Interim Order will be undertaken within the framework of the State's authorities under CERCLA, Section 22.2(f)-(k) of the Illinois Environmental Protection Act ("State Act"), 415 ILCS 5/22.2(f)-(k), and other applicable or relevant and appropriate requirements ("ARARs").

WHEREAS, the State and/or U.S. EPA may undertake additional response actions at the Chemetco Facility pursuant to various environmental statutes, including but not limited to CERCLA Sections 106 and 107, 42 §§ 9606 and 9607, and Section 22.2(f)-(k) of State Act, 45 ILCS 5/22.2(f)-(k), the costs of which will not be the responsibility of the Trustee.

WHEREAS, the State and the Trustee recognize, and the Court by entering this Interim Order finds, that this Interim Order has been negotiated by the State and the Trustee in good faith and that implementation of this Interim Order will expedite the cleanup of the Chemetco Facility, avoid unnecessary depletion of Chemetco's assets, and avoid prolonged and complicated litigation between the State and the Trustee, and that this Interim Order is fair, reasonable, and in the public interest.

NOW, THEREFORE, it is hereby Ordered:

II. JURISDICTION

1. This Court has jurisdiction over the subject matter of this action pursuant to CERCLA Sections 107 and 113(b), 42 U.S.C. §§ 9607 and 9613(b), and 28 U.S.C. §§ 1331 and 1367. This Court also has been vested with personal jurisdiction over Chemetco and the Estate, and that jurisdiction now extends to the Trustee. As representative of Chemetco, Inc. and the Estate, the Trustee has the authority to compromise claims against Chemetco, subject to approval of the Bankruptcy Court. Pursuant to that authority, the Trustee acknowledges that Chemetco, Inc. and the Estate have no objections or defenses to the jurisdiction of this Court or to venue in this District or to this Court's jurisdiction to enter and enforce this Interim Order.

2. This Interim Order and its appendices constitute an interim agreement and understanding

between the State and the Trustee as of the date of its execution. The State and the Trustee acknowledge that this Interim Order requires the Trustee to develop and submit, for approval by the State and to comply with, various Work Plans. The State and the Trustee further acknowledge that there are no representations, agreements or understandings relating to this Order other than those expressly contained in this Interim Order. This Order does not address the disposition of the Slag or Scrubber Sludge at the Facility. The State and the Trustee further anticipate doing so through a subsequent negotiated order with the participation of the U.S. EPA and the U.S. Department of Justice when the approval of a processor and the manner of processing of those materials is sought and obtained.

III. APPLICABILITY

3. a. This Interim Order applies to and is binding upon the State, the Trustee, and the Trustee's successors and assigns, the Estate and the Estate's successors and assigns, and Chemetco, Inc.

b. The requirements of this Interim Order, including the requirement to properly manage the Facility Assets, and to provide or secure access pursuant to Section IX shall be binding upon the Trustee, the Estate, Chemetco, and any and all persons who subsequently acquire any interest in or a portion of the Facility. Sale or lease of the Facility or any part or interest thereof shall not interfere with the State's Response Actions at the Facility.

IV. DEFINITIONS

4. Unless otherwise expressly provided herein, terms used in this Interim Order which are defined in the State Act, RCRA, CERCLA, or in regulations promulgated under those statutes shall have the meaning assigned to them in those statutes or in such regulations. Whenever terms listed below are used in this Interim Order or in the appendices attached hereto and incorporated hereunder, the following definitions shall apply:

ARAR or ARARs shall mean:

a. Applicable Requirements consisting of those cleanup standards, standards

of control, and other substantive requirements, criteria, or limitations promulgated under federal environmental or state environmental laws or regulations that specifically address a hazardous substance, pollutant, contaminant, remedial action, location, or other circumstance found at a CERCLA site; or

b. Relevant and Appropriate Requirements consisting of those cleanup standards, standards of control, and other substantive requirements, criteria, or limitations promulgated under federal environmental or state environmental or facility siting laws that, while not applicable to a hazardous substance, pollutant, contaminant, remedial action, location, or other circumstance at a CERCLA site, address problems or situations sufficiently similar to those encountered at Chemetco Facility that their use is well suited to this particular site.

c. A list of possible ARARs is provided in Appendix A of this Interim Order. Additionally, ARARs shall be proposed by the Trustee in Work Plans submitted for approval under this Interim Order.

Bankruptcy Case shall mean the proceeding initiated by the voluntary petition for Chapter 7 liquidation filed by Chemetco, Inc., and captioned *In re Chemetco, Inc.*, No. 01-34066 (Bankr. S.D. Ill.).

Bankruptcy Court shall mean the United States Bankruptcy Court for the Southern District of Illinois sitting in East St. Louis, Illinois.

CERCLA shall mean the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. § 9601 *et seq.*

Chemetco or **Chemetco, Inc.**, shall mean the company or corporation that previously owned and operated the copper smelting equipment and operation at the Chemetco Facility in Hartford, Illinois.

Interim Order shall mean this Interim Order and all appendices attached hereto. In the event of conflict between this Interim Order and any appendix, this Interim Order shall control.

Day shall mean a calendar day unless expressly stated to be a Working Day.

Estate shall mean the bankruptcy estate of Chemetco, Inc., a debtor.

Facility or **Chemetco Facility** shall mean the former Chemetco Smelter and real property consisting of Parcel Nos. 004 (18.19 acres), 007 (1.02 acres), 008 (9.98 acres), 009 (0.5 acres), 010 (11.9 acres), 011 (41.1 acres), 013.001 (10.25 acres), 016.001 (4.33 acres), 017.001 (45.97 acres), 018 (21.43 acres), 020(1acre), 021 (50.1 acres), 022 (58.27 acres), 026 (73.43 acres), and 027 (1 acre), as shown on the property map attached as Appendix B. Subparcels 004(a), located south of New Poag Road, and 026(a) and (b), located west of the current location of Old Alton Road, and all of Parcels 008, 009, 010, 011, 013.001, 016.001, 017.001, and 018 are subject to Illinois EPA's December 4, 2001, Seal Order (attached hereto as Appendix C) and shall be subject to all terms of this Interim Order. Subparcels 004(b)-(d), located north of New Poag Road, and 026(c) and (d), located east of the current location of Old Alton Road, and Parcels 007, 020, 021, 022, and 027 are also part of the Estate, but off the Chemetco plant grounds, and one or more these particular seven parcels are areas where hazardous substances generated during the course of Chemetco's operations may have come to be located and these parcels shall be subject only to Sections V, VII-XI, XIV, XVIII-XXI, and XXVI of this Interim Order until the Trustee proposes to do Work on one or more of those parcels or the Interim Order is modified to subject any of these parcels to other requirements of the Interim Order. In any event, these parcels remain subject to evaluation by the State and U.S. EPA to determine whether response actions on such areas may be necessary.

Facility Assets shall mean all potentially saleable material and equipment present on facility grounds, including but not limited to the foundry building, the four smelting furnaces housed in the foundry building, office buildings, storage buildings, a Slag pile and other accumulations of Slag (a by-product of the smelting process), scrubber sludge and other metal bearing materials, two parking lots, a stormwater management system, a bunker containing "zinc oxide" and other materials, a black acid storage tank, a rotary dryer, screening equipment, and air pollution control equipment, and the real estate.

Former Officers, Directors, and Employees shall mean any and all individuals who served as

officers or directors of Chemetco, Inc., or who were employed by Chemetco, Inc., prior to and up to the date of filing of the Bankruptcy Case.

Foundry Building shall mean that building that previously housed the smelter operation at the Facility and which is depicted as Building #1 on the Facility Map found in Appendix B.

Demolition and Scrapping Plan shall mean one or more documents to be submitted by the Trustee to Illinois EPA for approval pursuant to Paragraphs 18 through 20 of this Interim Order in the event the Trustee elects to contract for the demolition and scrapping of a Facility Asset or Assets.

Hazardous Substances shall mean the substances identified in CERCLA Section 101(14), 42 U.S.C. § 9601(14).

Hazardous Waste or RCRA Hazardous Waste shall mean the substances identified in RCRA Section 1004(5), 42 U.S.C. § 6903(5).

Illinois EPA shall mean the Illinois Environmental Protection Agency and any successor agencies of the State of Illinois.

Metal Bearing Materials shall mean the approximately 46,000 tons of Scrubber Sludge (including approximately 35,000 tons in the Zinc Oxide Bunker), approximately 900,000 tons of Slag, various and sundry former smelter feed stocks, "in-process" materials (including materials contained within or around former processing equipment), and sediments, sludges, metal spills and splatters, and dusts associated with former operations and past and future environmental cleanups at the Facility that contain economically viable and reclaimable concentrations of metals (including but not limited to copper, zinc, lead, tin, and nickel).

National Contingency Plan or "**NCP**" shall mean the National Oil and Hazardous Substances Pollution Contingency Plan promulgated pursuant to Section 105 of CERCLA, 42 U.S.C. § 9605, codified at 40 C.F.R. Part 300, including, but not limited to, any amendments thereto.

Operation and Maintenance or **O & M** shall mean all activities required to manage Facility

Assets and to provide stormwater management, fugitive emissions control and groundwater monitoring, and any other activities as required under the Operation and Maintenance Plan ("O&M Plan").

Operation and Maintenance Plan or **O&M Plan** shall mean the document to be submitted to the State for approval by the Trustee pursuant to Paragraph 17 of the Interim Order.

Parties shall mean the signatories to this Interim Order, the State, the Illinois EPA, and the Trustee on behalf of the Estate and Chemetco.

Project Coordinator shall mean each person designated as a project coordinator by a Party pursuant to Section XII of this Interim Order.

RCRA shall mean the Solid Waste Disposal Act, as amended, 42 U.S.C. § 6901, *et seq.* (also known as the Resource Conservation and Recovery Act).

Response Action shall mean past or future actions undertaken or approved by the State and/or U.S. EPA, pursuant to CERCLA, RCRA or the Clean Water Act.

Scrubber Sludge shall mean, in general, a granular solid material that was recovered from the dust collection systems operated in conjunction with the former Chemetco secondary copper smelting process. From startup of the Facility in 1970 until the mid-1980's, scrubber sludge was collected as a wet slurry in earthen pits and later transferred to a bunker. After the mid-1980s the Scrubber Sludge was collected as a wet filter cake and dry solid and stockpiled under cover in process buildings for recycling and commercial sales due to the presence of metal oxides, such as come from copper, zinc, lead, tin, and nickel. The Scrubber Sludge exhibits a characteristic of Hazardous Waste as determined by the toxic characteristic leaching procedure ("TCLP") for lead and cadmium.

Section shall mean a portion of this Interim Order identified by a Roman numeral.

Slag shall mean, in general, an iron-silicate solid material that was a by-product of the former Chemetco secondary copper smelting process, that was produced as a liquid, transported outside the smelter process building and placed in stockpiles where it was cooled, by air or water, and solidified.

The Slag at the Facility contains metal oxides, such as copper, zinc, lead, tin, and nickel. The Slag exhibits the characteristic of a hazardous waste as determined by the TCLP for lead and cadmium.

State shall mean the State of Illinois and all of its departments and agencies, including but not limited to the Illinois Environmental Protection Agency ("IEPA") and the Illinois Attorney General.

State Act shall mean the Illinois Environmental Protection Act, 415 ILCS 5/1-58.12 (2002).

Successor-in-Title shall mean any person who acquires any possessory interest in any property included in the Facility, other than a person who acquires such interest solely to protect a security interest in the property and who has not exercised any right to enter or possess the property.

Supervising Contractor shall mean the principal contractor retained by the Trustee, to supervise and direct the implementation of each Work Plan under this Interim Order.

Trustee shall mean the Trustee approved by the Court to act as representative of the Estate in *In re Chemetco*, No. 01-34066 (Bankr. S.D. Ill.), and not individually and/or personally.

United States shall mean the United States of America and all of its departments agencies and instrumentalities, including but not limited to U.S. EPA;

U.S. EPA shall mean the United States Environmental Protection Agency and any successor agencies of the United States.

Waste or **Solid Waste** shall mean the substances identified in RCRA Section 1004(27), 42 U.S.C. § 6903(27).

Work shall mean all actions undertaken by the Trustee under this Interim Order to liquidate Facility Assets, to demolish or scrap Facility Assets, or to move existing Facility Assets off-site without processing or treatment in accordance with the Work Plans required by this Interim Order excluding those listed in Appendix D. Any plan to manage and/or reuse the Facility, to sell/lease the Facility for reuse, process Scrubber Sludge, Slag, and other on-site materials to recover metals and other materials suitable for use or reuse as ingredients in an industrial process or as effective substitutes for commercial

products, not listed in Appendix D shall be the subject of a subsequent order or decree.

Work Affected Materials or WAM shall mean scrubber sludge, slag, metal bearing material, wastes, and substances accumulated on the surface of or within the Facility or Facility Assets that are managed, handled or otherwise dealt with in the performance of Work under this Interim Order.

Working Day shall mean a day other than a Saturday, Sunday or United States holiday. In computing any period of time under this Interim Order, where the last day would fall on a Saturday, Sunday, or United States holiday, the period shall run until the close of business of the next working day.

Work Plans shall mean any plan to liquidate Facility Assets, to demolish or scrap Facility Assets, or to move existing Facility Assets off-site without processing or treatment submitted and approved in accordance with this Interim Order.

V. GENERAL PROVISIONS

5. Commitment to Proper Management of the Facility.

The Trustee shall manage the Facility in accordance with this Interim Order and in accordance with all plans, standards, specifications, and schedules set forth in or developed in Work Plans approved by the State, pursuant to this Interim Order.

a. The Trustee shall manage all Work Affected Materials as if it were a RCRA Hazardous Waste in accordance with the Hazardous Waste regulations.

b. Shipment off-site of any material other than those listed in Appendix D will be subject to approval by the State, in accordance with 35 Ill. Adm. Code 721.102 and 721.106.

c. The Trustee shall undertake any sales of equipment in accordance with applicable provisions of the Bankruptcy Code, 11 U.S.C. § 101, et seq., and in accordance with 35 Ill. Adm. Code regulations.

d. All obligations of the Trustee under this Interim Order shall be understood to be obligations of the Estate and not of the Trustee, individually and/or personally.

6. Application of ARARS.

a. In performing Work under this Interim Order, the Trustee shall comply with all approved Work Plans.

b. All Work Plans prepared by the Trustee pursuant to this Interim Order shall include the obligation to achieve ARARs. Financial Assurance, if applicable as an ARAR pursuant to 35 Ill. Adm. Code Part 724, shall be addressed in the Work Plan.

c. In performing Work under this Interim Order, the Trustee shall comply with the National Contingency Plan ("NCP").

d. The Work conducted by the Trustee pursuant to this Interim Order, if completed consistent with ARARs and approved Work Plans, shall be considered to be consistent with the NCP.

7. Notice to Prospective Purchasers of Real Property

a. Within 60 days after the Effective Date, the Trustee shall place on the land records of Madison County, State of Illinois, a notice which:

(i) states that the real property comprising the Facility, including the Foundry Building and two parking lots, is subject to this Interim Order;

(ii) references the recorded location of this Interim Order and any restrictions applicable to the real property under this Interim Order; and

(iii) requires all future deeds, titles, or other instruments conveying an interest in the real property comprising the Facility to replicate such notice.

b. The Trustee or any successor-in-title shall, at least 60 days prior to the conveyance of an interest in the real property comprising the Facility, provide a copy of this Interim Order to each person proposed to receive such interest, and provide written notice to Illinois EPA of the proposed sale or lease, including the name and address of the prospective grantee/lessee, and the date on which a copy of this Interim Order was given to the prospective grantee/lessee.

8. **Notice to Contractors and Subcontractors.**

a. The Trustee shall provide a copy of this Interim Order to each contractor undertaking an obligation to manage one or more of the components of the Facility Assets, and shall condition all contracts entered into hereunder upon conformity with the terms of this Interim Order.

b. The Trustee or the Trustee's contractors shall provide written notice of this Interim Order to all subcontractors hired to perform any management of Facility Assets

c. Notwithstanding subparagraphs a. and b. of this Paragraph, the Trustee shall be responsible for ensuring that the Trustee's contractors and subcontractors perform the Work and manage the Facility in accordance with this Interim Order. With regard to the activities undertaken pursuant to this Interim Order, each contractor and subcontractor shall be deemed to be in a contractual relationship with the Trustee within the meaning of CERCLA Section 107(b)(3), 42 U.S.C. § 9607(b)(3).

9. **Applicability of Bankruptcy Code Section 363.** All sales of Facility Assets shall be subject to the requirements of Section 363 of the Bankruptcy Code, 11 U.S.C. § 363.

10. **Relief from Agency Decisions:** Notwithstanding any other provision of this Interim Order other than a provision under which an Agency decision is not subject to review by a Court, the Estate reserves its right to seek relief pursuant to the Federal Rule of Civil Procedure 60(b) as to any Agency decision with which the Trustee disagrees. The State reserves its right to oppose any such motion.

VI. PERFORMANCE OF THE WORK

11. **Applicability of Seal Order**

a. The State and the Trustee agree that the Work to be performed hereunder shall not be deemed to be in violation of the Seal Order (attached hereto as Appendix C) issued December 4, 2001, pursuant to Section 34 of the State Act and filed with the Bankruptcy Court on December 8, 2001, and the State hereby consents to the presence at the Facility of those persons performing Work at the Facility

on behalf of the Trustee pursuant to an approved Work Plan.

b. In addition to the State's authority to stop the Work set forth in Paragraphs 26 and 48, the State may revoke this consent to address noncompliance with an applicable Work Plan

12. **Selection of Supervising Contractor**

a. All aspects of the implementation of each Work Plan shall be under the direction and supervision of the Supervising Contractor, the selection of which shall be subject to approval by the State, which approval shall not be unreasonably withheld. The Trustee shall propose the Supervising Contractor in each Work Plan submitted.

b. If, at any time thereafter, the Trustee proposes to change a Supervising Contractor, the Trustee shall give such notice to the State, and must obtain an authorization to proceed from the State before the new Supervising Contractor performs, directs, or supervises Work, or the management of Facility Assets under this Interim Order.

c. If the State disapproves a proposed Supervising Contractor, the State will notify the Trustee in writing. The Trustee, within 60 days of receipt of the notice of disapproval of the previously proposed contractor shall submit to the State a list of contractors, including the qualifications of each contractor, that would be acceptable to the State. The State will provide written notice of the names of any contractor(s), contained in the Trustee's list whom the State disapprove, as well as an authorization to proceed with respect to any of the other contractors on the list. Subject to the requirements of Section 327 of the Bankruptcy Code, 11 U.S.C. § 327, the Trustee may select any contractor from that list that is not disapproved, and the Trustee shall notify the State of the name of the contractor selected within 21 working days of the date of the State's authorization to proceed.

d. If the State fails to provide written authorization to proceed or disapproval as provided in this Paragraph and this failure prevents the Trustee from meeting one or more deadlines in a plan approved by the State pursuant to this Interim Order, the Trustee may seek relief under the provisions of

Section XVI (Force Majeure).

A. IMPLEMENTATION OF WORK PLANS

13. All plans, submittals, or other deliverables required under the approved Work Plans shall be submitted to the State for approval by the State . The State shall not unreasonably deny approval of submitted Work Plans. Upon approval, the various Work Plans shall be incorporated into and become enforceable under this Interim Order, and the Trustee shall be obligated to comply with their terms and requirements.

14. The Work Plans shall be implemented by the Trustee, in consultation with the State, according to the approved schedules. Unless otherwise directed by the State, the Trustee shall not implement any Work Plan until it has been approved.

15. Nothing in this Interim Order or any of the Work Plans constitutes a warranty or representation of any kind by the State that compliance with the requirements set forth in the Work Plans will achieve ARARs or permit the reuse of the Facility for all purposes. Compliance with the Work Plan requirements shall not foreclose the State from seeking compliance with all terms and conditions of this Interim Order, including, but not limited to, identified ARARs.

16. The Trustee shall submit to the State's Project Coordinator, at the time of shipment, a copy of each manifest for any shipment of Waste off-Facility.

B. OPERATION AND MAINTENANCE PLAN

17. Within 60 days of the entry of this Interim Order, the Trustee shall submit an Operation and Maintenance Plan (O&M Plan) to the State for review and approval by the State . The O&M Plan shall update the existing stormwater management plan, fugitive emissions control plan, groundwater monitoring plan, and security plan to address current conditions at the Facility and the future management of the Facility Assets. The O&M Plan may be modified and upgraded by the Trustee, or at the direction of the State, and upon review and approval by the State, shall be implemented as so

modified.

C. SCRAPPING AND DEMOLITION PLAN

18. Nothing herein shall obligate the Trustee to undertake any scrapping or demolition of a Facility Asset. In the event the Trustee elects to contract for the demolition and scrapping of a Facility Asset, the Trustee shall submit a Scrapping/Demolition Plan to the State for approval. Upon approval by the State, the Scrapping/Demolition Plan shall be implemented by the Trustee in accordance with the approved schedule. All plans, submittals, or other deliverables required under the approved Scrapping/Demolition Plan shall be submitted to the State in accordance with the approved schedule for review and approval pursuant to Section XI (Submissions Requiring Approval).

19. The Trustee has previously submitted plans to address the closure of the Brick Shop Container Storage Area and the AAF Decontamination Area/Sump Area (attached hereto as Appendices E-1 and E-2) in response to Illinois EPA's Violation Notice, L-2007-01375. Both plans were conditionally approved by Illinois EPA on May 13, 2008 (attached hereto as Appendix E-3). These two closure plans shall be implemented as Work Plans under this Interim Order in accordance with the requirements of Appendix E-3. Within twenty-one days of entry of this Interim Order, an Addendum shall be submitted for approval by the State which shall include the following:

- a. plans and schedules for the disposition of all materials to be scrapped, salvaged, and/or resold and for the disposition of WAM;
- b. identification of and plans and procedures for complying with ARARs, including plans and procedures for preventing the release, or threatened release, of hazardous substances and, for the AAF Decontamination Area/Sump Area only, the remediation of soil and groundwater contaminated by hazardous substances or their constituents if necessary to satisfy Illinois EPA's Violation Notice, L-2007-01375 and Appendix E-3;
- c. Methods for satisfying permit requirements, where applicable;

d. Plans and procedures for the decontamination of equipment and the disposal of Waste including submission to the State's Project Coordinators, at the time of shipment, of a copy of each required manifest for any shipment off-Facility of Waste;

e. A health and safety plan for all activities which conforms to the applicable Occupational Safety and Health Administration requirements including, but not limited to, 29 C.F.R. §1910.120; and

f. When the State concludes in writing that the Trustee has certified completion of the approved Brick Shop Container Storage Work Plan or the AAF Decontamination Area/Sump Area Work Plan in accordance with Section XIII (Certification of Completion), the respective violations from the Illinois EPA's Violation Notice, L-2007-01375, shall be deemed resolved.

20. A Scrapping/Demolition Plan addressing either the planned scrapping/demolition of the Foundry building, or sale of the furnaces, shall include all plans and schedules for implementation of all work required for such activities, including:

a. plans and schedules for the disposition of all materials to be scrapped, salvaged, and/or resold and for the disposition of WAM;

b. identification of and plans and procedures for complying with ARARs, including plans and procedures for preventing the release, or threatened release, of hazardous substances;

c. Methods for satisfying permit requirements, where applicable;

d. Plans and procedures for the decontamination of equipment and the disposal of Waste including submission to the State's Project Coordinators, at the time of shipment, of a copy of each required manifest for any shipment off-Facility of Waste; and

e. A health and safety plan for all activities which conforms to the applicable Occupational Safety and Health Administration requirements including, but not limited to, 29 C.F.R. §1910.120.

D. SCRUBBER SLUDGE AND SLAG PROCESSING

21. In the event the Trustees wishes to proceed with processing of Scrubber Sludge or Slag,

the development and entry of an additional Order or Decree shall be required before such processing may proceed.

E. ADDITIONAL RESPONSE ACTIONS

22. a. In the event that the State determines, or the Trustee proposes, and the State agrees, that additional actions are necessary to meet ARARs identified in conjunction with the approval of the Work Plans, the State shall provide a written request for such additional actions to the Project Coordinator for the Trustee.

b. Within 60 days of receipt of the written request from the State referred to in subparagraph a. of this Paragraph, the Trustee shall submit to the State for approval by the State a Work Plan for the additional work. Upon approval of such plan, the Trustee shall implement the plan in accordance with the schedule contained therein.

23. The Trustee may invoke the procedures set forth in Section XVII (Dispute Resolution) to dispute a determination by the State that additional work is necessary to meet ARARs. Such a dispute shall be resolved pursuant to Section XVII (Dispute Resolution) of this Interim Order.

VII. DUE CARE/COOPERATION

24. The Trustee and her contractors, subcontractors, agents or affiliates shall exercise due and appropriate care at the Facility with respect to the Hazardous Substances at the Facility and shall comply with all Work Plans and ARARs in undertaking Work at the Facility.

25. The Estate recognizes that the State's implementation of Response Actions to address environmental contamination at the Facility may interfere with the Estate's use of the Facility, or portion of the Facility, and may require stoppage or cessation of Work. The Estate agrees to cooperate fully with the State in the implementation of any stoppage or cessation of Work at the Facility and further agrees not to interfere with such response actions. The State agrees, consistent with their responsibilities under applicable law, to use reasonable efforts to minimize any interference with the Estate's operations.

26. If the State determines that the Response Action selected under CERCLA requires a stoppage or cessation of Work in circumstances not addressed by Section XIV (Emergency Response) below, the State may issue a Stoppage or Cessation of Work order to the Estate. The Trustee may only invoke dispute resolution pursuant to Section XVII below to address the impact of such an Order on its operations. Pursuant to CERCLA Section 113, 42 U.S.C. § 9613, any Response Action selected by the State shall not be subject to the Dispute Resolution provisions of Section XVII below. Implementation of a Stoppage or Cessation of Work Order issued pursuant to this provision shall not take effect until the dispute resolution process has concluded.

VIII. QUALITY ASSURANCE, SAMPLING, AND DATA ANALYSIS

27. The Trustee shall take all treatability, design, ARARs, compliance and monitoring samples in accordance with the quality assurance, quality control, and chain of custody procedures set forth in U.S. EPA's "Interim Guidelines and Specifications for Preparing Quality Assurance Project Plans," December 1980, (QAMS-005/80); "Data Quality -- Objective Guidance," (U.S. EPA/540/G87003 and 004); "U.S. EPA NEIC Policies and Procedures Manual," May 1978, revised November 1984, (U.S. EPA 330/9-78-001-R); and subsequent amendments to such guidelines upon notification by the State to the Trustee of such amendment. Amended guidelines shall apply only to procedures conducted after such notification. If relevant to the proceeding, the Parties agree that validated sampling data generated in accordance with those standards and reviewed and approved by the State shall be admissible as evidence, without objection, in any proceeding under this Interim Order. The Trustee shall ensure that the laboratories that the Trustee or the Trustee's agents use for the analyses of samples taken pursuant to this Interim Order perform all analyses according to accepted U.S. EPA methods. Accepted U.S. EPA methods consist of those methods which are documented in U.S. EPA "Test Methods for Solid Waste" SW-846, the "Contract Lab Program Statement of Work for Inorganic Analysis" and the "Contract Lab Program Statement of Work for Organic Analysis," dated February 1988, and any

amendment made thereto during the course of the implementation of this Interim Order. The Trustee shall ensure that all laboratories that the Trustee or the Trustee's agents use for the analyses of samples taken pursuant to this Interim Order participate in an U.S. EPA or U.S. EPA-equivalent QA/QC program.

28. Upon request, the Trustee shall allow split or duplicate samples to be taken by the State or their authorized representatives. The Trustee shall notify the State not less than 14 days in advance of any sample collection activity on the Trustee's behalf, unless shorter notice is agreed to by the State. In addition, the State shall have the right to take any additional samples that they deem necessary. Upon request, the State shall allow the Trustee to take split or duplicate samples of any samples that they undertake as part of their oversight of the Trustee's implementation of the Work.

29. The Trustee shall submit to the State copies of the results of all sampling and/or tests or other data obtained or generated by or on behalf of the Trustee with respect to the implementation of this Interim Order unless the State agree otherwise.

30. Notwithstanding any provision of this Interim Order, the State hereby retains all information gathering and inspection authorities and rights, including enforcement actions related thereto, under CERCLA, RCRA, the State Act, and any other applicable statutes or regulations.

IX. ACCESS

31. Commencing upon the date of entry of this Interim Order, the Trustee agrees to provide the State and their officers, employees, representatives and contractors and all other persons performing response actions at the Facility under the State's oversight, an irrevocable right of access at all reasonable times to the Facility and any other property to which access is required for the implementation of this Interim Order or other required response actions, to the extent access to the property is controlled by the Trustee, for the purposes of conducting any activity related to this Interim Order, as set forth below, and/or conducting response actions under federal and State law. The State agrees to provide reasonable notice to the Trustee of the timing of response action to be undertaken at the Facility. The activities to be

undertaken at the Facility by the State include but are not limited to:

- a. Monitoring the Work at the Facility;
- b. Verifying any data or information submitted to the State;
- c. Conducting investigations relating to contamination at or near the Facility;
- d. Obtaining samples and taking photographs and video;
- e. Assessing the need for, planning, or implementing additional response actions at or near the Facility;
- f. Inspecting and copying records, operating logs, contracts, or other documents, including documents relating to operating costs and revenues from the disposition of Facility Assets, maintained or generated by the Trustee or the Trustee's agents, consistent with Section XVIII (Access to Information);
- g. Assessing the Trustee's compliance with this Interim Order; and
- h. Undertaking response actions as determined to be required by the State.

32. To the extent that the Facility or any other property to which access is required for the implementation of this Interim Order is sold or leased by the Trustee to persons other than the Estate, the Trustee shall condition the transaction to require that such persons provide access to the Estate, the State, and their representatives including, but not limited to, their contractors, as necessary to effectuate this Interim Order.

33. Notwithstanding any provision of this Interim Order, the State retains all of its access authorities and rights, including enforcement authorities related thereto, under CERCLA, RCRA, the State Act, and any other applicable statute or regulations.

X. REPORTING REQUIREMENTS

34. a. In addition to any other requirement of this Interim Order, the Trustee, shall submit to the State, pursuant to the schedule below, written progress reports that:

- (i) Describe the actions which have been taken toward achieving compliance with this Interim Order during the previous reporting period:
- (ii) Include a summary of all results of sampling and tests and all other data received or generated by the Trustee or the Trustee's contractors or agents in the previous reporting period;
- (iii) Identify all work plans, plans and other deliverables required by this Interim Order completed and submitted during the previous reporting period;
- (iv) Describe all actions, including, but not limited to, data collection and implementation of work plans, which are scheduled for the next reporting period and provide other information relating to the progress of construction;
- (v) Include information regarding percentage of completion, unresolved delays encountered or anticipated that may affect the future schedule for implementation of the Work, and a description of efforts made to mitigate those delays or anticipated delays; and
- (vi) Include any modifications to the work plans or other schedules that the Trustee has proposed to the State or that have been approved by the State.

b. The Trustee shall submit all reports referred to in Paragraph 34.a. in accordance with the schedule in the applicable approved Work Plan. The Trustee shall submit these progress reports to the State by the tenth day of the new reporting period following entry of this Interim Order until certification of completion by the State under Section XIII, Paragraph 46 of the applicable approved Work Plan. If requested by the State, the Trustee shall also provide briefings for the State to discuss the progress of the Work.

35. All actions, including data collection and implementation of approved Work Plans, described in the progress reports for the performance of any activity, may be accelerated if notice is given to the State no later than fourteen days prior to the performance of the activity. Upon the occurrence of any event during performance of the Work that the Trustee is required to report pursuant to CERCLA

Section 103, 42 § 9603, or Section 304 of the Emergency Planning and Community Right-to-Know Act ("EPCRA"), 42 U.S.C. § 11004, the Trustee, within 24 hours of the onset of such event, shall orally notify the State Project Coordinator (or the Alternate State Project Coordinator in the event of the unavailability of the State Project Coordinator) or, in the event that neither the State Project Coordinator or Alternate State Project Coordinator is not available, the Emergency Response Section of Illinois EPA (217-782-3637). These reporting requirements are in addition to the reporting required by CERCLA Section 103, 42 U.S.C. § 9603, and EPCRA Section 304, 42 U.S.C. § 11004.

36. Within seven (7) days of the onset of such an event, the Trustee shall furnish to the State a written report, signed by the Trustee's Project Coordinator, setting forth the events that occurred and the measures taken, and to be taken, in response thereto. Within 21 days of the conclusion of such event, the Trustee shall submit a report setting forth all actions the Trustee has taken in response thereto.

37. The Trustee shall submit all plans, reports and data required by the Work Plans or any other approved plans to the State in accordance with the schedules set forth in such plans. The Trustee shall submit five (5) copies of all such plans, reports and data to the State unless otherwise agreed to.

38. All reports and other documents submitted to the State (other than the progress reports referred to in the preceding Paragraph 34) which purport to document compliance with the terms of this Interim Order shall be signed by an authorized representative of the party on whose behalf the documentation is being submitted.

XI. SUBMISSIONS REQUIRING APPROVAL

39. After review of any plan, report or other item which is required to be submitted for approval pursuant to this Interim Order (other than for any permit application required for on site disposal), the State shall:

- a. Approve, in whole or in part, the submission;
- b. Approve the submission upon specified conditions;

- c. Modify the submission to cure deficiencies;
- d. Disapprove, in whole or in part, the submission, directing that the submission be modified; or
- e. Any combination of the above.

If the State intends to approve the submission upon specified conditions, modify the submission or disapprove the submission, the State shall provide an opportunity for an informal conference and exchange of information and documents used before reaching a final decision.

40. In the event of approval, or approval upon conditions, pursuant to Paragraph 39.a., b., or c. (and following an opportunity for informal conference and exchange of information, if applicable), all actions required by the plan, report, or other items, as approved or modified by the State, shall proceed subject only to the invocation of the Dispute Resolution procedures set forth in Section XVII (Dispute Resolution) with respect to the modifications or conditions established by the State that are not agreed to by the Trustee. In the event that such a submission by the Trustee has a material defect, and the State, modifies the submission to cure the deficiencies pursuant to Paragraph 39.c., the State each retains its right to address the submission of a plan, report, or other item that has a material defect by seeking relief from the Court or through pursuing other available remedies.

41. Notice of Disapproval

a. Upon receipt of a notice of disapproval pursuant to Paragraph 39.d. (and following an opportunity to confer and exchange information, if applicable), within 60 days or such other time as specified in such notice, the deficiencies shall be corrected and the plan, report, or other item shall be resubmitted by the Trustee for approval.

b. Notwithstanding the receipt of a notice of disapproval pursuant to Paragraph 39.d., at the direction of the State, any action required by any non-deficient portion of the submission may proceed provided such portion is reasonably severable from the unapproved portions.

42. In the event that a resubmitted plan, report, other item, or portion thereof, is disapproved by the State, the State may again require correction of the deficiencies, in accordance with the preceding Paragraphs. The State retains the right to amend or develop the plan, report or other item. Any such amended or developed plan shall be implemented by the Trustee, as amended or developed by the State, subject only to the Trustee's right to invoke the procedures set forth in Section XVII (Dispute Resolution) and/or to seek relief pursuant to Federal Rule of Civil Procedure 60(b).

43. Submittal of Plans

a. All plans, reports, and other items required to be submitted to the State under this Interim Order shall, upon approval or modification by the State, be enforceable under this Interim Order. In the event the State approves or modifies a portion of a plan, report, or other item required to be submitted to the State under this Interim Order, the approved or modified portion shall be enforceable under this Interim Order.

b. All plans, reports and other items required to be submitted to the State under this Interim Order shall be prepared in compliance with the terms of the applicable professional licensing statute and regulations promulgated thereunder.

XII. PROJECT COORDINATORS

44. Within 30 days following the entry of this Interim Order, the Trustee and the State will notify each other, in writing, of the name, address and telephone number of their respective designated Project Coordinators and Alternate Project Coordinators. If a Project Coordinator or Alternate Project Coordinator initially designated is changed, the identity of the successor will be given to the other parties at least 30 working days before the changes occur, unless impracticable, but in no event later than the actual day the change is made. The Trustee's Project Coordinator shall be subject to disapproval by the State, and shall have the technical expertise sufficient to adequately oversee all aspects of the Work. The Trustee's Project Coordinator shall not be an attorney for the Estate in this matter. The Trustee's Project Coordinator may

assign other representatives, including other contractors, to serve as a Facility representative for oversight of performance of daily operations during remedial activities.

45. The State may designate other representatives, including, but not limited to State employees and State contractors and consultants, to observe and monitor the progress of any activity undertaken pursuant to this Interim Order. The State's Project Coordinator and Alternate Project Coordinator shall have the authority lawfully vested in a Remedial Project Manager ("RPM") and an On-Scene Coordinator ("OSC") by the National Contingency Plan, 40 C.F.R. Part 300. In addition, the State's Project Coordinator and Alternate Project Coordinator shall have authority, consistent with the National Contingency Plan, to halt any activities required by this Interim Order and to take any necessary response action when s/he determines that conditions at the Facility constitute an emergency situation or may present an immediate threat to public health or welfare or the environment due to a release or threatened release of Hazardous Substances.

XIII. CERTIFICATION OF COMPLETION

46. Completion of Work Plans.

a. The Interim Order will terminate on the 3rd anniversary of the Court's entry of this Interim Order and the Trustee shall schedule Work under this Interim Order to meet that date.

b. Within 120 days after the Trustee determines that an approved Work Plan has been fully performed and the ARARs have been attained, the Trustee shall schedule and conduct a pre-certification inspection to be attended by the Trustee, the Supervising Contractor, and the State. If, after the pre-certification inspection, the Trustee still believes that the Work Plan has been fully performed and the ARARs have been attained, the Trustee shall submit a written report requesting certification to the State, pursuant to Section XI (Submissions Requiring Approval) within 60 days of the inspection. In the report, a Professional Engineer registered in the State of Illinois shall state that the Work Plan has been completed in full satisfaction of the requirements of this Interim Order. The written report shall include as-built drawings signed and stamped by a Professional Engineer registered in the State of

Illinois. The report shall contain the following statement, signed by a responsible corporate official or representative of such person:

To the best of my knowledge, after thorough investigation, I certify that the information contained in or accompanying this submission is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

c. If, after completion of the pre-certification inspection and receipt and review of the written report, the State determines that the Work Plan or any portion thereof (including any modification thereto pursuant to the terms of this Interim Order) has not been completed in accordance with this Interim Order or that ARARs have not been achieved, the State will notify the Trustee in writing by certified letter of the activities that must be undertaken to complete the Work Plan and achieve the ARARs contained within the approved Work Plan. The State will set forth in the certified letter a schedule for performance of such activities consistent with this Interim Order or require the Trustee to submit a schedule to the State pursuant to Section XI (Submissions Requiring Approval). The Trustee shall perform all activities described in the notice in accordance with the specifications and schedules established pursuant to this Paragraph, subject to such the Trustee's right to invoke the dispute resolution procedures set forth in Section XVII (Dispute Resolution).

d. If the State concludes, based on the initial or any subsequent report requesting Certification of Completion, that the Work Plan has been fully performed in accordance with this Interim Order and that the ARARs as they may have been modified pursuant to this Interim Order, have been achieved, the State will so certify in writing to the Trustee. This certification shall constitute the Certification of Completion of the Work Plan for purposes of this Interim Order. The Certification of Completion of the Work Plan shall not affect the other obligations under this Interim Order. The Trustee shall file the Certification of Completion of the Work Plan with the Recorder of Deeds within thirty (30) days of issuance.

XIV. EMERGENCY RESPONSE

47. In the event of any action or occurrence during the performance of a Work Plan which causes or threatens a release of Hazardous Substances from the Facility that constitutes an emergency situation or may present an immediate threat to public health or welfare or the environment, the Trustee shall immediately take all appropriate action to prevent, abate, or minimize such release or threat of release, and shall immediately notify the State's Project Coordinator, or, if the Project Coordinator is unavailable, the State's Alternate Project Coordinator. If neither of these persons is available, the Trustee shall notify U.S. EPA and the State Emergency Response Unit (217-782-3637) and shall take such actions in consultation with the State's Project Coordinator or other available authorized State officer and in accordance with all applicable provision of the Health and Safety Plans, the Contingency Plans, and any other applicable plans or documents developed pursuant to this Interim Order. In the event that the Trustee or the entity implementing the Work Plan fails to take appropriate response action as required by this Section, and U.S. EPA or the State takes such action instead, the Estate or that entity shall reimburse U.S. EPA and the State for all their respective costs of the response action not inconsistent with the NCP, if applicable.

48. Nothing in the preceding Paragraph or in this Interim Order shall be deemed to limit any authority of the State to take, direct or order all appropriate action (including but not limited to issuing a Stoppage or Cessation of Work Order) or to seek an order from the Court to protect human health and the environment or to prevent, abate, respond to, or minimize an actual or threatened release of Hazardous Substances on, at, or from the Facility.

XV. INDEMNIFICATION AND INSURANCE

49. The State does not assume any liability by entering into this agreement, and the State shall be held out as a party to any contract entered into by or on behalf of the Estate in carrying out activities pursuant to this Interim Order. Neither the Trustee nor any of the Trustee's contractors or

assigns shall be considered an agent of the State.

50. The Estate waives all claims against the State for damages or reimbursement or for set-off of any payments made or to be made to the State, arising from or on account of any contract, agreement, or arrangement between any one or more persons and the Estate for performance of Work on or relating to the Facility, including, but not limited to, claims on account of construction delays.

XVI. FORCE MAJEURE

51. Force Majeure, for purposes of this Interim Order, is defined as any event arising from causes beyond the control of the Trustee (either individually or in her representative capacity as Trustee of the Estate), or of any entity controlled by the Trustee, not individually but solely in her representative capacity as Trustee of the Estate, including but not limited to, the Trustee's contractors and subcontractors, that delays or prevents performance of any obligation under this Interim Order despite the Trustee's best efforts to fulfill the obligation. The requirement that the Trustee exercise "best efforts to fulfill the obligation" includes using best efforts to address the effects of any potential Force Majeure event (1) as it is occurring and (2) following the potential Force Majeure event, such that the delay is minimized to the greatest extent reasonably possible. "Force Majeure" does not include financial inability to complete the Work, except as provided in Section XXIV (Termination of Trusteeship/Estate/Interim Order), or a failure to attain the ARARs.

52. If any event occurs or has occurred that may delay or prevent the performance of any obligations under this Interim Order, whether or not caused by a Force Majeure event, the Trustee shall notify orally the State' Project Coordinator or, in his or her absence, the State' Alternative Project Coordinator or, in the event both of the State's designated representatives are unavailable, the manager of Illinois EPA's Remedial Project Management Section within 48 hours of when the Trustee first knew or should have known that the event might cause a delay. Within 10 working days thereafter, the Trustee shall provide in writing to the State: (1) an explanation and description of the reasons for the delay; (2)

the anticipated duration of the delay; (3) all actions taken or to be taken to prevent or minimize the delay; (4) a schedule for implementation of any measures to be taken to prevent or mitigate the delay or the effect of the delay; (5) the Trustee's rationale for attributing such delay to a Force Majeure event if the Trustee intends to assert such a claim; and (6) a statement as to whether, in the opinion of the Trustee, such event may cause or contribute to an endangerment to public health, welfare or the environment. The Trustee shall include with any notice all available documentation supporting the Trustee's claim that the delay or prevention of performance was attributable to a Force Majeure. Failure to comply with the above requirements shall preclude the Trustee from asserting any claim of Force Majeure for that event. The Trustee shall be deemed to have notice of any circumstance of which the Trustee's contractors or subcontractors had or should have had notice.

53. If the State agrees that the delay or anticipated delay is attributable to a Force Majeure event, the time for performance of the obligations and any subsequent obligations dependent on the completion of the delayed activity under this Interim Order that are affected by the Force Majeure event will be extended by the State, for such time as is necessary to compensate for the delay including, but not limited to, demobilization time. An extension of the time for obligations affected by the Force Majeure event shall not, of itself, extend the time for performance of any other obligation that does not depend solely on the delayed activity. If the State does not agree that the delay or anticipated delay has been or will be caused by a Force Majeure event, the State will notify the Trustee in writing of such decision. If the State agrees that the delay is attributable to a Force Majeure event, the State will notify the Trustee in writing of the length of the extension, if any, for performance of the obligations affected by the Force Majeure event.

54. In the event that the Trustee objects to a determination by the State under the preceding Paragraph, and the Trustee elects to invoke the dispute resolution procedures set forth in Section XVII (Dispute Resolution), the Trustee shall do so no later than 15 days after receipt of the State's notice. In

any such proceeding, the Trustee shall have the burden of demonstrating by a preponderance of the evidence that the delay or anticipated delay has been or will be caused by a Force Majeure event, that the duration of the delay or the extension sought was or will be warranted under the circumstances, that best efforts were exercised to avoid and mitigate the effect of the delay, and that the Trustee complied with the requirements of Paragraphs 51 and 52, above. If the Trustee carries this burden, the delay at issue shall be deemed not to be a violation by the Trustee of the affected obligation of this Interim Order identified to U.S. EPA, the State and the Court.

XVII. DISPUTE RESOLUTION

55. Unless otherwise expressly provided for in this Interim Order, the dispute resolution procedures of this Section shall be the exclusive mechanism to resolve disputes arising under or with respect to this Interim Order. However, the procedure set forth in this Section shall not apply to actions by the State to enforce obligations of the Estate that have not been disputed in accordance with this Section.

56. Any dispute which arises under or with respect to this Interim Order shall in the first instance be the subject of informal negotiations between the Parties to the dispute. The period for informal negotiations shall not exceed 20 days from the time the dispute arises unless it is modified by written agreement of the parties to the dispute. The dispute shall be considered to have arisen when one party sends the other parties a written Notice of Dispute.

57. Dispute Resolution Schedule

a. In the event that the Parties cannot resolve a dispute by informal negotiations under the preceding Paragraph 56, then the position advanced by the State shall be considered binding unless, within 10 days after the conclusion of the informal negotiation period, the formal dispute resolution procedures of this Section are invoked by serving on and the State a written Statement of Position on the matter in dispute, including, but not limited to, any factual data, analysis or opinion

supporting that position and any supporting documentation relied upon by the Trustee.

b. Within fourteen (14) days after receipt of the Statement of Position, the State will serve their Statement of Position, including, but not limited to, any factual data, analysis, or opinion supporting that position and all supporting documentation relied upon by the State.

c. Within fourteen (14) days after receipt of the State's Statement of Position, a response may be filed including but not limited to any factual data, analysis or opinion supporting its position or refuting any position by the State.

d. Following receipt of the Statement of Position submitted pursuant to Paragraph 57.a., the State will issue a final decision resolving the dispute. That decision shall be binding, unless, within 20 days of receipt of the decision, a notice of judicial appeal is filed with the Court and served on the State setting forth the matter in dispute, the efforts made by the parties to resolve it, the relief requested, and the schedule, if any, within which the dispute must be resolved to ensure orderly implementation of this Interim Order. The State may file response to the notice of judicial appeal.

e. Judicial review of any dispute governed by this Paragraph shall be governed by applicable provisions of law.

58. The invocation of formal dispute resolution procedures under this Section shall not extend, postpone or affect in any way any obligation under this Interim Order not directly in dispute, except those solely dependent on the completion of the disputed activity unless the Court or the State agree otherwise.

59. Nothing in this Interim Order shall be construed as prohibiting, altering, or in any way limiting the ability of the State to seek from the Estate any other remedies or sanctions available by virtue of the Estate's violation of this Decree or of the statutes and regulations upon which it is based, including, but not limited to, penalties pursuant to CERCLA, RCRA, or Section 42 of the State Act, 415 ILCS 5/42(f) (2002).

XVIII. ACCESS TO INFORMATION

60. a. Until such time as the Bankruptcy Case is closed, the Trustee agrees to seek leave of this Court if she intends to dispose of or destroy any Chemetco record that relates in any manner to environmental conditions at the Chemetco Facility or the liability of any person other than Chemetco for response actions conducted or to be conducted at the Facility which the Trustee is not obligated under the Bankruptcy Code to retain until the Bankruptcy Case is closed or if she intends to sell, lease, transfer, or abandon any Facility Asset housing or holding such records and provide the State at least ninety (90) days advance written notice prior to the proposed disposition or destruction of any such records and documents, including the Wang System, or the disposition of any Facility Asset housing or holding such records. The Trustee shall turn such documents over to the State if requested by them during the waiting period unless the Court directs that they be turned over to some other entity.

b. The Trustee shall also instruct the Trustee's contractors and agents to preserve all documents, records, and information of whatever kind, nature or description relating to the performance of the Work. Nothing herein shall require the Trustee to retain records beyond the time of closure of the Bankruptcy Case. If no request for delivery of documents is received within 90 days of notice of closure of the Bankruptcy Case, the documents may be destroyed.

c. Until such time as the Bankruptcy Case is closed or as provided in the leave granted by the Court pursuant to subpar.60.a above, the Trustee agrees to provide the State, upon request, access and an opportunity to copy all documents and information within possession or control of the Trustee's contractors and agents relating to activities at the Chemetco Facility, including, but not limited to, sampling, analysis, chain of custody records, manifests, trucking logs, receipts, reports, sample traffic routing, correspondence, or other documents or information relating to the Facility, including documents related to operating costs or revenues, or the liability of any person other than Chemetco, for response actions conducted or to be conducted at the Facility: Provided, any documents involving the processing

of materials or related to operating costs or revenues shall not be subject to the Freedom of Information Act and shall be treated as Business Confidential by the State.

d. Until the Bankruptcy Case is closed or as provided in the leave granted by the Court pursuant to subpar.60.a above, the Trustee shall preserve and retain all records and documents now in its possession or control or which come into its possession or control that relate in any manner to the performance of the Work or liability of any person for response actions conducted and to be conducted at the Facility, regardless of any corporate retention policy to the contrary.

e. The Trustee certifies that since the filing of the Petition for Relief by Chemetco, the Trustee has not altered, mutilated, discarded, destroyed or otherwise disposed of any records, documents or other information relating to its potential liability regarding the Facility and that it has fully complied with any and all of the State's requests for information.

61. Until such time as the Bankruptcy Case is closed, the Trustee shall also make available to the State, for purposes of investigation, information gathering, or testimony, all of her then current employees, agents, or representatives who possess knowledge of relevant facts concerning the performance of the Work.

62. The Estate may assert business confidentiality claims covering part or all of the documents or information submitted to the State under this Interim Order to the extent permitted by and in accordance with section 7 of the State Act, 415 ILCS 5/7 (2002), and 2 Ill. Adm. Code Part 1827. Documents or information determined to be confidential by Illinois EPA will be afforded the protection specified in Section 7 of the State Act, 415 ILCS 5/7 (2002). If no claim of confidentiality accompanies documents or information when they are submitted to the State, or Illinois EPA has notified the Trustee that the documents or information are not confidential under the standards of Section 7 of the Act, 415 ILCS 5/7 (2002), the public may be given access to such documents or information without further notice to the Trustee.

63. The Trustee may assert that certain documents, records and other information are privileged under the attorney-client privilege or any other privilege recognized by federal law. If the Trustee asserts such a privilege in lieu of providing documents, they shall provide the State with the following: (1) the title of the document, record or information; (2) the date of the document, record, or information; (3) the name and title of the author of the document, record, or information; (4) the name and title of each addressee and recipient; (5) a description of the contents of the document, record, or information; and (6) the privilege asserted by the Trustee. However, no documents, reports or other information created or generated pursuant to the requirements of this Interim Order shall be withheld on the grounds that they are privileged.

64. No claim of confidentiality or privilege shall be made with respect to any data, including, but not limited to all sampling, analytical, monitoring, hydrogeologic, scientific, chemical, or engineering data, or any other documents or information evidencing conditions at or around the Facility.

XIX. EFFECT OF SETTLEMENT/CONTRIBUTION PROTECTION

65. Except as provided in Paragraph 3, nothing in this Interim Order shall be construed to create any rights in, or grant any cause of action to, any person not a Party to this Interim Order. The preceding sentence shall not be construed to waive or nullify any rights that any person not a signatory to this Decree may have under applicable law.

66. The Parties agree, and by entering this Interim Order this Court finds, that the Trustee is entitled, as of the date of entry of this Interim Order, to protection from contribution actions or claims as provided by CERCLA Section 113(f)(2), 42 U.S.C. § 9613(f)(2), for "matters addressed" in this Interim Order. The "matters addressed" in this Interim Order are all Work to be undertaken by the Trustee in accordance with approved Work Plans.

XX. NOTICES AND SUBMISSIONS

67. Whenever, under the terms of this Interim Order, written notice is required to be given or

a report or other document is required to be sent by one Party to another, it shall be directed to the individuals at the addresses specified below, unless those individuals or their successors give notice of a change to the other parties in writing. All notices and submissions shall be considered effective upon receipt, unless otherwise provided. Written notice as specified herein shall constitute complete satisfaction of any written notice requirement of this Interim Order with respect to the State, and the Estate, respectively.

As to the State:

Erin Rednour	James L. Morgan
State Project Coordinator	Assistant Attorney General
Illinois EPA RPMS/BOL	Environmental Bureau
1021 North Grand Avenue East 500 South Second Street	
Springfield, IL 62794-9276	Springfield, IL 62706
(five copies)	(one copy)

Alternate Project Coordinator: Sandra Bron

As to the Estate:

Laura Grandy, Trustee
Mathis, Marifian, Richter & Grandy, Ltd.
23 Public Square
Suite 300
Belleville, IL 62220

Penni S. Livingston
Livingston Law Firm
5701 Perrin Road
Fairview Heights, IL 62208

XXI. EFFECTIVE DATE

68. The effective date of this Interim Order shall be the date upon which this Interim Order is entered by the Court.

XXII. CONTINUING JURISDICTION

69. This Court retains jurisdiction over both the subject matter of this Interim Order and the Estate for the duration of the performance of the terms and provisions of this Interim Order for the

purpose of enabling any of the Parties to apply to the Court at any time for such further Decree, direction, and relief as may be necessary or appropriate, for the construction or modification of this Interim Order, or to effectuate or enforce compliance with its terms, or to resolve disputes in accordance with Section XVII (Dispute Resolution) hereof.

XXIII. EARLY TERMINATION OF TRUSTEESHIP/ESTATE/INTERIM ORDER

70. No portion of the Facility may be abandoned by the Trustee prior to closure of the Bankruptcy Case based upon a determination that such portion of the Facility is of no value to the Estate in the absence of an Order by the Bankruptcy Court authorizing such action. As a condition of such abandonment, the Estate must be in compliance with the requirements of this Interim Order, including any Work Plan applicable to that portion of the Facility unless performance of that Work Plan has not been commenced.

71. At least 20 days prior to filing a Notice of Motion to Abandon any portion of the Facility for which a Certification of Completion has not been issued pursuant to Section XIII of this Interim Order, the Trustee will provide notice to the State of the Trustee's intent to file such motion, together with a description of that portion of the Facility proposed to be abandoned. Following receipt of such notice, the State will jointly survey the area proposed for abandonment, and the State will determine what work required under this Interim Order remains to be accomplished. The results of the survey and the State's determination will be provided to the Trustee.

72. This Interim Order may be terminated following the issuance of a Certification of Completion for all Work Plans that the Trustee implements, provided that the Trustee certifies to the State that the Trustee has: (1) made all payments required by this Interim Order; and (2) fulfilled the other requirements of this Interim Order. Within sixty (60) days following such certification, any Party may move for termination of this Interim Order. An objection to the Trustee's certification shall be subject to the Dispute Resolution provisions of this Interim Order.

73. Termination of this Interim Order shall release the Trustee from all obligations under this Interim Order, except for any remaining document retention obligation under Section XIX (Retention of Records) and any post-closure requirements applicable as a result of Work performed under this Interim Order.

XXIV. APPENDICES

74. The following appendices are attached to and incorporated into this Interim Order:

- Appendix A: Potential ARARs
- Appendix B: Maps of the Facility
- Appendix C: December 4, 2001 Seal Order
- Appendix D: Excluded Materials
- Appendix E-1: January 31, 2008 RCRA Closure Plan/AAF Decontamination Area and Sump
- Appendix E-2: January 29, 2008 RCRA Closure Plan/Brick Shop Container Storage Area
- Appendix E-3: Illinois EPA May 13, 2008, Closure Plans Conditional Approval Letter

XXV. MODIFICATION

75. All modifications, whether material or non-material, shall be deemed an enforceable part of this Interim Order.

76. There shall be no material modification of this Interim Order or the Appendices hereto, without written approval by all of the Parties and the Court.

77. Any non-material modification of this Interim Order, or its Appendices shall be in writing and signed by the Parties. Any modifications to the Appendices that are specifically allowed under the terms of those Appendices may be made in accordance with the terms of those Appendices.

78. **Modification of Approved Work Plans**

a. To obtain approval to modify any approved Work Plan, the Estate shall comply with the requirements of 35 Ill. Adm. Code 703.280-703.283 and Part 703:Appendix A: Provided, the references in 35 Ill. Adm. Code 703.280-703.283 and Part 703:Appendix A to "permit" shall be read to mean "approved Work Plan" and references to "permittee" shall be read to mean the Estate.

b. The State shall employ the procedures set forth in 35 Ill. Adm. Code 703-280-703.283 to review each request for modification of an approved Work Plan, and each such request shall be approved or denied by the State .

79. Schedules specified in this Interim Order for performance of the Work may be modified by agreement of the and the Trustee and the State . All such modifications shall be made in writing.

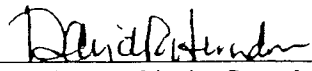
80. Except as set forth in Paragraph 79, nothing in this Interim Order shall be deemed to alter the Court's power to enforce, supervise or approve modifications to this Interim Order.

81. If for any reason this Interim Order is not approved by either the Bankruptcy Court or the District Court: (a) this Interim Order shall be null and void and the Parties shall not be bound hereunder or under any documents executed in connection herewith; (b) the Parties shall have no liability to one another arising out of or in connection with this Interim Order or under any documents executed in connection herewith; (c) this Interim Order and any documents prepared in connection herewith shall have no residual or probative effect or value, and it shall be as if they had never been executed; and (d) this Interim Order, any statements made in connection with settlement discussions, and any documents prepared in connection herewith may not be used as evidence in any litigation between the Parties. This Interim Order is without prejudice to, and nothing in this Interim Order shall be construed to waive, any of the Parties' legal contentions in the Pleadings.

XXVI. SIGNATORIES

82. Each undersigned representative of the Estate, the Attorney General of the State of Illinois or her designee, the Illinois Environmental Protection Agency or his designee, certifies that he or she is fully authorized to enter into the terms and conditions of this Interim Order and to execute and legally bind such party to this document.

So Ordered this 16th day of September, 2008,

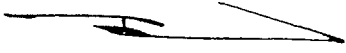

United States District Court Judge

The Undersigned Parties enter into this Interim Order in the matter of *United States and People of the State of Illinois, ex rel. Lisa Madigan, Attorney General of the State of Illinois v. Chemetco, Inc.*, Civil Nos. 00-670-DRH, 00-677-DRH (S.D. Ill.):

ON BEHALF OF THE PEOPLE
OF THE STATE OF ILLINOIS

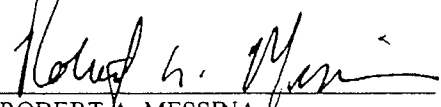
LISA MADIGAN
ATTORNEY GENERAL

MATTHEW DUNN
Chief, Environmental Enforcement
Asbestos Litigation Division



THOMAS E. DAVIS
Chief, Environmental Bureau

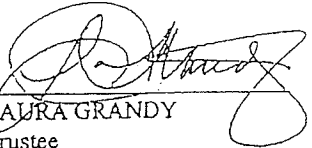
ILLINOIS ENVIRONMENTAL
PROTECTION AGENCY



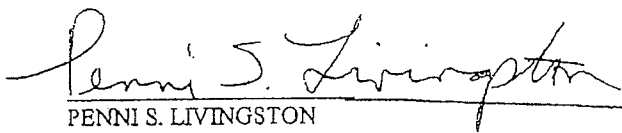
ROBERT A. MESSINA
Chief Legal Counsel

The Undersigned Party enters into this Interim Order in the matter of *United States and People of the State of Illinois, ex rel. Lisa Madigan, Attorney General of the State of Illinois v. Chemetco, Inc.*, Civil Nos. 00-670-DRH, 00-677-DRH (S.D. Ill.):

ON BEHALF OF THE DEFENDANT CHEMETCO, INC., AND ON BEHALF OF CHEMETCO, INC.,
A DEBTOR.



LAURA GRANDY
Trustee
Mathis, Marifian, Richter & Grandy, Ltd.
23 Public Square
Suite 300
Belleville, IL 62220



PENNI S. LIVINGSTON
Environmental Counsel
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Work Plan for Sales of Facility Assets -Copper Furnace Cleanup Solids

March 27, 2008

Revised September 16, 2008

Page 1 of 3

Facility Asset: Copper Furnace Cleanup Solids

Purpose:

The purpose of this Work Plan is to document the handling, packaging and shipping of approximately 300 metric tons of Copper Furnace Cleanup Solids to purchasers approved by the U.S. Bankruptcy Court, Southern District of Illinois (Bankruptcy Court).

Purchasers:

The Bankruptcy Estate of Chemetco, Inc. has agreements with the companies below to purchase Copper Furnace Cleanup Solids and recycle them to reclaim valuable non-ferrous metals (ex. copper, zinc, lead, tin, and nickel). This is verified in the attached NOTICE OF INTENT TO SELL PROPERTY documents issued by the Trustee on May 2, 2008, which became effective on May 23, 2008. The Estate has successfully sold Copper Furnace Cleanup Solids to two companies for recycling since 2001 (ex. Norddeutsche Affinerie AG Recycling and Coleman Engineering and Metals) and is not aware of any environmental or other issues of concern with the past sales of Copper Furnace Cleanup Solids. The companies are:

- Norddeutsche Affinerie A.G. Recycling – will recycle Copper Furnace Cleanup Solids at one or both of its non-ferrous smelters in Hamburg and Lunen, Germany.
- Colonial Metals Company – will recycle Copper Furnace Cleanup Solids at its non-ferrous smelter in Columbia, PA for production of a wide range of non-ferrous alloys for industry.

Characterization of Material:

Copper Furnace Cleanup Solids are a collection of furnace charges and melts, splatters, and spills around the furnaces of metal bearing materials generated by Chemetco's former secondary copper and lead/tin smelting processes. Copper Furnace Cleanup Solids exist in stockpiles in the SW corner, on the walls of the furnace support structures and around the Lead/Tin Shaker Ladel in the Foundry Building and in stockpiles outside the Foundry Building along the west side. These materials consist of a mix of copper, lead/tin, and iron scrap, fines, skimmings, drosses, and furnace emissions dust. The materials range in size from granular fines to scrap metal. Copper Furnace Cleanup Solids have a bulk density of approximately 1.35 MT/cy. Copper Furnace Cleanup Solids have significant levels of economically viable non-ferrous metals as metals and metal oxides (copper 20-50% by weight, zinc 10-15%, lead 5-10% and tin 2-5%). Iron metal scrap and compounds, 4-6%, are the largest non-ferrous constituents.

Environmental Regulatory Classification:

RCRA: Copper Furnace Cleanup Solids will be removed from stockpiles, loaded, and secured for shipment using procedures consistent with handling RCRA hazardous wastes. Copper Furnace Cleanup Solids will be shipped as a recycled product, not as a waste.

Transportation Regulatory Classification:

USDOT: Determination to be made based on the following criteria:

Shipment by ocean vessel:

USDOT Hazardous Substance, 'Environmentally Hazardous Substance, Solid, N.O.S. (Copper Furnace Cleanup Solids-copper slag solids)', Class 9, UN3077, Group III. [Note: Classification triggered by IMDG marine pollutant limit for presence of soluble lead, applicable only to shipments destined to be transferred to ocean vessels.]

Shipment other than by vessel: NOT a USDOT Hazardous Substance.

Shipping Container Criteria:

International Shipment Container:

Copper Furnace Cleanup Solids will be shipped to international purchasers in 20-foot, sealed-door, sift-proof, dry ocean/freight containers in accordance with USDOT and IMO requirements.

Domestic Shipment Container:

Copper Furnace Cleanup Solids will be shipped to domestic purchasers in open top trailers with secured tarp covers in accordance with transportation and environmental regulations for shipment of slag.

Loading Shipping Containers:

Ocean/Freight Container (International): The ocean/freight container (container) will be parked at the west entrance to the Foundry Building but will not enter the building. Loading will be performed using a skid-steer loader or similar equipment to transport fines and smaller pieces of Copper Furnace Cleanup Solids up a portable metal ramp into the plastic lined container with sealed doors. A small heavy-lift forklift or similar equipment will transport pieces too large and heavy for the skid-steer loader and place them strategically inside the container to maintain an even distribution of weight across the container. A front-end loader or similar equipment will be used to position Copper Furnace Cleanup Solids in the stockpiles for loading by the skid-steer loader and/or forklift. Upon completion of loading, plastic is overlapped and taped down and a bulk-head placed across the doorway.

"Dump Trailer (Domestic): For domestic shipments, open top trailers would be loaded using a front end loader, Gradall, and/or a heavy-lift forklift (for large Copper Furnace Cleanup Solids). The trailer will be parked at the west entrance to the Foundry Building but will not enter the building [if it becomes necessary to load the trailer inside the Foundry Building, the trailer will be decontaminated upon exiting the building.]. Upon completion of loading, the end of the workday, or during precipitation, the trailer is covered and secured for shipment."

Schedule

Work is expected to be conducted from 7AM to 6PM, Monday-Friday but the Estate reserves the right to adjust the work schedule to accommodate shipping schedules. Depending on purchaser requirements, the schedule of the Furnace Removal Project, and weather conditions, shipments of Copper Furnace Cleanup Solids could start within 60 days and are expected to take 3 to 4 months to complete.

Pollution Prevention

Decontamination: All equipment, tools and the exterior of containers exiting the Work Area will be decontaminated per the Estate's Decontamination Procedure, dated January 29, 2008. All decontamination residues will be managed according to RCRA. Tires on wheeled vehicles will be washed before going off-site.

Spills and Release Cleanup: "Any spills or releases of Copper Furnace Cleanup Solids inside or outside the Foundry Building will be cleaned up each day using brooms, shovels or vacuum systems. Spills inside the Foundry Building will be cleaned down to grade of the Foundry Building floor. A determination will be made as to whether the materials cleaned up can be shipped or will be containerized and handled as Wastes according to RCRA."

Commingled Waste: Spills that create commingled waste with previously existing waste will be cleaned up each day using brooms, shovels, vacuum systems, or other appropriate methods. A determination will be made as to whether the materials cleaned up can be shipped or will be containerized and handled as Wastes according to RCRA.

Containment: All sealed containers of Wastes, including Hazardous Waste, awaiting shipment will be temporarily stored on plastic in an isolated area inside the west end of the Tank House and will be managed according to RCRA.

Fugitive Dust: Water spray and/or misters will be used to control fugitive dust but limited in volume to prevent run-off and unsafe working conditions.

Waste Management

Hazardous Waste: Copper Furnace Cleanup Solids will be removed from stockpiles, loaded, and secured for shipment using procedures consistent with handling RCRA hazardous wastes. The Estate expects to generate less than 0.5 MT of spill cleanup, debris (paper, plastic, cardboard, and wood), and contaminated PPE and filter elements. All wastes will be properly characterized, contained, labeled, handled, stored and manifested according to RCRA.

Non-Hazardous Waste: The Estate expects to generate less than 50 MT of scrap metal for sale but any wastes generated will be properly characterized and disposed off-site in accordance with RCRA. All scrap metal will be decontaminated prior to shipping off-site.

Health & Safety

Hazards: Copper Furnace Cleanup Solids contains hazardous levels of non-ferrous metals and inorganic metal compounds, such as lead, as referred to in the Estate's MSDS for Copper Furnace Cleanup Solids. When dry, Copper Furnace Cleanup Solids is dusty. Work around moving equipment is a safety hazard.

Compliance: The Estate requires that all workers inside the Foundry Building and in contact with Copper Furnace Cleanup Solids are required to comply with OSHA regulations for exposure to lead, cadmium and nickel, including wearing protective equipment such as hard hats, safety glasses or goggles, gloves, long sleeve shirt and long pants, boots, and respirator and are medically monitored for lead and cadmium exposure. All workers are also required to have current 40-hr HAZWOPER training certification.

Security

The Estate will provide 24-hr security monitoring of the site utilizing Estate personnel on work days, Monday thru Friday, and the use of its 24-hr security camera monitoring system. All work will be conducted during daylight hours, Monday thru Friday, or when Estate personnel are present for specially scheduled work on the weekends or holidays.

Closure

Upon completion of all work, the Estate will issue a Closure Report for this Work Plan with documentation on all shipments off-site including Copper Furnace Cleanup Solids and Wastes.

ADDITIONAL CONDITIONS

1. All sales shall comply with 35 Ill. Adm. Code 721.102 and 721.106.
2. Sales in excess of the specific amounts designated in the Notice of Intent must satisfy the requirements of that notice.
3. The Trustee shall contact the Manager Illinois EPA Bureau of Land, Collinsville regional Office 5 business days in advance of loading the initial loads

Work Plan for Sales of Facility Assets -Cupro

March 27, 2008

Revised September 16, 2008

AG Revisions

Page 1 of 3

Facility Asset: Cupro (copper slag solids)

Purpose:

The purpose of this Work Plan is to document the handling, packaging, and shipping of approximately 3000 metric tons of Cupro, a facility asset, to purchasers approved by the U.S. Bankruptcy Court, Southern District of Illinois (Bankruptcy Court).

Purchasers:

The Bankruptcy Estate of Chemetco, Inc. has an agreement with the company below to purchase Cupro and recycle it to reclaim valuable non-ferrous metals (ex. copper, zinc, lead, tin, and nickel). This is verified in the attached NOTICE OF INTENT TO SELL PROPERTY document issued by the Trustee on May 2, 2008, which became effective on May 23, 2008. The Estate has successfully sold Cupro to numerous companies for recycling since 2001 (Norddeutsche Affinerie NA, Coleman Engineering and Metals, and Wall Street Recycling) and is not aware of any environmental or other issues of concern with the past sales of Cupro. The company is:

- Norddeutsche Affinerie A.G. Recycling – will recycle Cupro at one or both of its non-ferrous smelters in Hamburg and Lunen, Germany.

Characterization of Material and Location:

Cupro is a metal bearing slag generated by Chemetco's former secondary copper smelting process. Cupro exists mainly in a stockpile inside the NW corner of the Foundry Building and outside in a bunker in sizes that includes fines (< 20%), a range of bulk material up to approximately 2 feet in diameter (~ 65%), and large pieces up to approximately 5 feet in diameter (~15%). Cupro is very heavy, ~ 2 MT/cy. Cupro has significant levels of economically viable non-ferrous metals as metals and metal oxides: copper 20-35% by weight, nickel 5-15%, lead 4-15%, tin 3-15%, and zinc 3-6%. Silica dioxide, 10-12%, (amorphous) is the largest non-metal compound. The attached MSDS-Cupro (copper slag solids) contains additional information.

Environmental Regulatory Classification:

RCRA: Cupro will be removed from stockpiles, loaded, and secured for shipment using procedures consistent with handling RCRA hazardous wastes. Cupro will be shipped as a recycled product, not as a waste.

Transportation Regulatory Classification:

USDOT: Determination to be made based on the following criteria:

Shipment by ocean vessel: USDOT Hazardous Substance, 'Environmentally Hazardous Substance, Solid, N.O.S. (Cupro-copper slag solids)', Class 9, UN3077, Group III. [Note: Classification triggered by IMDG marine pollutant limit for presence of soluble lead, applicable only to shipments destined to be transferred to ocean vessels.]

Shipment other than by vessel: NOT a USDOT Hazardous Substance.

IMDG: The International Maritime Organization (IMO) Dangerous Goods (IMDG) requirements classifies Cupro shipped on ocean vessels as:

'Environmentally Hazardous Substance, Solid, N.O.S. (Cupro-copper slag solids)', Class 9, UN3077, Group III.

Shipping Container Criteria:

International Shipment Container:

Cupro will be shipped to international purchasers in 20-foot, sealed-door, sift-proof, dry ocean/freight containers in accordance with USDOT and IMO requirements.

Domestic Shipment Container:

Cupro will be shipped to domestic purchasers in open top trailers with secured tarp covers in accordance with transportation and environmental regulations for shipment of slag.

Loading Shipping Containers:

Ocean/Freight Container (International): The ocean/freight container (container) will be parked at the west entrance to the Foundry Building but will not enter the building. Loading will be performed using a skid-steer loader or similar equipment to transport fines and smaller pieces of Cupro up a portable metal ramp into the plastic lined container with sealed doors. A small heavy-lift forklift or similar equipment will transport pieces too large and heavy for the skid-steer loader and place them strategically inside the container to maintain an even distribution of weight across the container. A front-end loader or similar equipment will be used to position Cupro in the stockpiles for loading by the skid-steer loader and/or forklift to insure that the stockpiles do not become unstable as Cupro is removed from the base. Upon completion of loading, plastic is overlapped and taped down and a bulk-head placed across the doorway.

"Dump Trailer (Domestic): For domestic shipments, open top trailers would be loaded using a front end loader, Gradall, and/or a heavy-lift forklift (for large Cupro). The trailer will be parked at the west entrance to the Foundry Building but will not enter the building [If it becomes necessary to load the trailer inside the Foundry Building, the trailer will be decontaminated upon exiting the building.]. Upon completion of loading, the end of the workday, or during precipitation, the trailer is covered and secured for shipment."

Schedule

Work is expected to be conducted from 7AM to 6PM, Monday-Friday but the Estate reserves the right to adjust the work schedule to accommodate shipping schedules. Depending on purchaser requirements, shipments of Cupro are expected to start within 2 months and take 6 to 9 months to complete.

Pollution Prevention

Decontamination: All equipment, tools, and exterior of containers and packages exiting the Foundry Building will be required to be decontaminated per the Estate's Decontamination Procedure dated January 29, 2008. Upon exiting the Foundry Building, all personnel will have to remove PPE and properly dispose of it upon, decontaminate any non-disposal items (e.g., footwear, hard hats, and respirators), shower and change clothing before exiting the site. All decontamination residues will be managed according to RCRA. Tires on wheeled vehicles will be washed before going off-site.

Spills and Release Cleanup: "Any spills or releases of Cupro inside or outside the Foundry Building will be cleaned up each day using brooms, shovels or vacuum systems. Spills inside the Foundry Building will be cleaned down to grade of the Foundry Building floor. A determination will be made as to whether the materials cleaned up can be shipped or will be containerized and handled as Wastes according to RCRA."

Commingled Waste: Spills that create commingled waste with previously existing waste will be cleaned up each day using brooms, shovels, vacuum systems, or other appropriate methods. A determination will be made as to whether the materials cleaned up can be shipped or will be containerized and handled as Wastes according to RCRA.

Containment: All sealed containers of Wastes, including Hazardous Waste, awaiting shipment will be temporarily stored on plastic in an isolated area inside the west end of the Tank House and will be managed according to RCRA.

Fugitive Dust: Water spray and/or misters will be used to control fugitive dust but limited in volume to prevent run-off.

Waste Management

Hazardous Waste: Cupro will be removed from stockpiles, loaded, and secured for shipment using procedures consistent with handling RCRA hazardous wastes. The Estate expects to generate less than 1 MT of hazardous waste as spill cleanup, debris (e.g., paper, plastic, cardboard, and wood), and contaminated PPE and filter elements. All wastes will be properly characterized, contained, labeled, handled, stored and manifested according to RCRA.

Non-Hazardous Waste: The Estate does not expect to generate any non-hazardous waste. If any non-hazardous waste is generated, it will be properly characterized, handled and disposed in accordance with RCRA.

Health & Safety

Hazards: Cupro contains hazardous levels of non-ferrous metals and inorganic metal compounds, such as lead and nickel, as referred to in the Estate's MSDS-Cupro (copper slag solids), attached. Additionally, the Foundry Building has hazardous levels of cadmium. Exposure to mineral dust is a concern due to the level of fines, < 20%, and respirable dusts, < 1%, containing amorphous silica. Work around heavy and moving equipment is a safety hazard.

Compliance: The Estate requires that all workers inside the Foundry Building and in contact with Cupro are required to comply with OSHA regulations for exposure to lead, cadmium and nickel, including wearing protective equipment such as hard hats, safety glasses or goggles, gloves, long sleeve shirt and long pants, boots, and respirator and are medically monitored for lead and cadmium exposure. All workers are also required to have current 40-hr HAZWOPER training certification.

Security

The Estate will provide 24-hr security monitoring of the site utilizing Estate personnel on work days, Monday thru Friday, and the use of its 24-hr security camera monitoring system during non-working hours. All work will be conducted during daylight hours, Monday thru Friday, or when Estate personnel are present for specially scheduled work on the weekends or holidays.

Closure

Upon completion of all work, the Estate will issue a Closure Report for this Work Plan with documentation on all shipments of Cupro off-site including Wastes.

ADDITIONAL CONDITIONS

1. All sales shall comply with 35 Ill. Adm. Code 721.102 and 721.106.
2. Sales in excess of the specific amounts designated in the Notice of Intent must satisfy the requirements of that notice.
3. The Trustee shall contact the Manager Illinois EPA Bureau of Land, Collinsville regional Office 5 business days in advance of loading the initial loads

Work Plan for Sales of Facility Assets -Pot Slag

March 27, 2008

Revised September 16, 2008

Facility Asset: Pot Slag (copper refining slag)

Page 1 of 3

Purpose:

The purpose of this Work Plan is to document the handling, packaging and shipping of approximately 300 metric tons of Pot Slag to purchasers approved by the U.S. Bankruptcy Court, Southern District of Illinois (Bankruptcy Court).

Purchasers:

The Bankruptcy Estate of Chemetco, Inc. has agreements with the companies below to purchase Pot Slag and recycle it to reclaim valuable non-ferrous metals (ex. copper, zinc, lead, tin, and nickel). This is verified in the attached NOTICE OF INTENT TO SELL PROPERTY documents issued by the Trustee on May 2, 2008, which became effective on May 23, 2008. The Estate has successfully sold Pot Slag to two companies for recycling since 2001 (Coleman Engineering and Metals and Minkin-Chandler Corp/Lakeside Scrap Metal) and is not aware of any environmental or other issues of concern with the past sales of Pot slag. The companies are:

- Norddeutsche Affinerie A.G. Recycling – will recycle Pot Slag at one or both of its non-ferrous smelters in Hamburg and Lunen, Germany.
- Colonial Metals Company – will recycle Pot Slag at its non-ferrous smelter in Columbia, PA where they produce a wide variety of non-ferrous alloys for industry.

Characterization of Material:

Pot Slag is a metal bearing copper refining slag generated by Chemetco's former secondary copper smelting process. Pot Slag exists in a stockpile inside the NE corner and outside the NW corner of the Foundry Building. Pot Slag exists in sizes that range from skulls to granular material. Pot Slag is very heavy, ~ 1.85 MT/cy. Pot Slag has significant levels of economically viable non-ferrous metals as metal oxides: copper 20-40% by weight, zinc 5-15%, lead 5-15%, tin 5-15%, and nickel 3-6%. Silica dioxide, 25-35%, (amorphous) is the largest non-metal compound. The MSDS-Pot Slag (copper refining slag) contains additional information.

Environmental Regulatory Classification:

RCRA: Pot slag will be removed from stockpiles, loaded, and secured for shipment using procedures consistent with handling a RCRA hazardous waste. Pot slag will be shipped as a recycled product.

Transportation Regulatory Classification:

USDOT: Determination to be made based on the following criteria:

Shipment by ocean vessel: USDOT Hazardous Substance, 'Environmentally Hazardous Substance, Solid, N.O.S. (Pot slag-copper refining slag)', Class 9, UN3077, Group III. [Note: Classification triggered by IMDG marine pollutant limit for presence of soluble lead, applicable only to shipments destined to be transferred to ocean vessels.]

Shipment other than by vessel: NOT a USDOT Hazardous Substance.

IMDG: The International Maritime Organization (IMO) Dangerous Goods (IMDG) requirements classifies Pot slag shipped on ocean vessels as:

'Environmentally Hazardous Substance, Solid, N.O.S. (Pot slag-copper refining slag)', Class 9, UN3077, Group III.

Shipping Container Criteria:

International Shipment Container:

Pot slag will be shipped to international purchasers in 20-foot, sealed-door, sift-proof, dry ocean/freight containers in accordance with USDOT and IMO requirements.

Domestic Shipment Container:

Pot slag will be shipped to domestic purchasers in open top trailers with secured tarp covers in accordance with transportation and environmental regulations for shipment of slag.

Loading Shipping Containers:

Ocean/Freight Container (International): The ocean/freight container (container) will be parked at the west entrance to the Foundry Building but will not enter the building. Loading will be performed using a skid-steer loader or similar equipment to transport fines and smaller pieces of Pot slag up a portable metal ramp into the plastic lined container with sealed doors. A small heavy-lift forklift or similar equipment will transport pieces too large and heavy for the skid-steer loader and place them strategically inside the container to maintain an even distribution of weight across the container. A front-end loader or similar equipment will be used to position Pot slag in the stockpiles for loading by the skid-steer loader and/or forklift to insure that the stockpiles do not become unstable as Pot slag is removed from the base. Upon completion of loading, plastic is overlapped and taped down and a bulk-head placed across the doorway.

"Dump Trailer (Domestic): For domestic shipments, open top trailers would be loaded using a front end loader, Gradall, and/or a heavy-lift forklift (for large Pot slag). The trailer will be parked at the west entrance to the Foundry Building but will not enter the building [If it becomes necessary to load the trailer inside the Foundry Building, the trailer will be decontaminated upon exiting the building.]. Upon completion of loading, the end of the workday, or during precipitation, the trailer is covered and secured for shipment."

Schedule

Work is expected to be conducted from 7AM to 6PM, Monday-Friday but the Estate reserves the right to adjust the work schedule to accommodate shipping schedules. Depending on purchaser requirements, shipments of Pot Slag are expected to start within 2 months and take 4 to 6 months to complete.

Pollution Prevention

Decontamination: All equipment, tools, and the exterior of their containers exiting the Work Area will be decontaminated per the Estate's Decontamination Procedure dated January 29, 2008. Upon exiting the Foundry Building, all personnel will have to remove PPE and properly dispose of it upon, decontaminate any non-disposal items (e.g., footwear, hard hats, and respirators), shower and change clothing before exiting the site. All decontamination residues will be managed according to RCRA. Tires on wheeled vehicles will be washed before going off-site.

Spills and Release Cleanup: "Any spills or releases of Pot Slag outside the Foundry Building will be cleaned up each day using brooms, shovels or vacuum systems. Spills inside the Foundry Building will be cleaned down to grade of the Foundry Building floor. A determination will be made as to whether the materials cleaned up can be shipped or will be containerized and handled as Wastes according to RCRA."

Commingled Waste: Spills that create commingled waste with previously existing waste will be cleaned up each day using brooms, shovels, vacuum systems, or other appropriate methods. A determination will be made as to whether the materials cleaned up can be shipped or will be containerized and handled as Wastes according to RCRA.

Containment: All sealed containers of Wastes, including Hazardous Waste, awaiting shipment will be temporarily stored on plastic in an isolated area inside the west end of the Tank House and will be managed according to RCRA.

Fugitive Dust: Water spray and/or misters will be used to control fugitive dust but limited in volume to prevent run-off.

Waste Management

Hazardous Waste: Pot Slag will be removed from stockpiles, loaded, and secured for shipment consistent with a RCRA hazardous waste. The Estate expects to generate less than 500 lbs of hazardous waste as spill cleanup, debris (paper, plastic, cardboard, and wood), and contaminated PPE and filter elements. All wastes will be properly characterized, contained, labeled, handled, stored and manifested according to RCRA.

Non-Hazardous Waste: The Estate does not expect to generate any non-hazardous waste. If any non-hazardous waste is generated, it will be properly characterized, handled and disposed in accordance with RCRA.

Health & Safety

Hazards: Pot Slag contains hazardous levels of non-ferrous metals and inorganic metal compounds, such as lead and nickel, as referred to in the Estate's MSDS-Pot Slag (copper refining slag), attached. Exposure to mineral dust is a concern due to the level of fines, <10%, and respirable dusts, < 1%, present as Pot Slag. Work around heavy and moving equipment is a safety hazard.

Compliance: The Estate requires that all workers inside the Foundry Building and in contact with Pot Slag are required to comply with OSHA regulations for exposure to lead, cadmium and nickel, including wearing protective equipment such as hard hats, safety glasses or goggles, gloves, long sleeve shirt and long pants, boots, and respirator and are medically monitored for lead and cadmium exposure. All workers are also required to have current 40-hr HAZWOPER training certification.

Security

The Estate will provide 24-hr security monitoring of the site utilizing Estate personnel on work days, Monday thru Friday, and the use of its 24-hr security camera monitoring system. All work will be conducted during daylight hours, Monday thru Friday, or when Estate personnel are present for specially scheduled work on the weekends or holidays.

Closure

Upon completion of all work, the Estate will issue a Closure Report for this Work Plan with documentation on all shipments off-site including Pot Slag and Wastes.

ADDITIONAL CONDITIONS

1. All sales shall comply with 35 Ill. Adm. Code 721.102 and 721.106.
2. Sales in excess of the specific amounts designated in the Notice of Intent must satisfy the requirements of that notice.
3. The Trustee shall contact the Manager Illinois EPA Bureau of Land, Collinsville regional Office 5 business days in advance of loading the initial loads

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF ILLINOIS

UNITED STATES OF AMERICA,)	
and PEOPLE OF THE STATE OF)	
ILLINOIS, <i>ex rel.</i> LISA MADIGAN,)	
ATTORNEY GENERAL OF THE STATE)	
OF ILLINOIS,)	
Plaintiffs,)	
v.)	Civil Nos. 00-670-DRH,
)	00-677-DRH (consolidated)
CHEMETCO, INC.,)	CJRA Track C
)	Hon. David R. Herndon
Defendant.)	U.S. District Judge

ILLINOIS MOTION TO REFILE APPENDICES TO INTERIM ORDER

The Plaintiff, People of the State of Illinois, *ex rel.*, Lisa Madigan, Attorney General of the State of Illinois, moves for leave to refile appendices inadvertently filed under the case number 00-677.

Wherefore, the Plaintiff, People of the State of Illinois, *ex rel.*, Lisa Madigan, Attorney General of the State of Illinois, requests that the subpoena be quashed as to the identified documents.

THE PEOPLE OF THE STATE OF ILLINOIS,

LISA MADIGAN
Attorney General
State of Illinois

MATTHEW J. DUNN, Chief
Environmental Enforcement

BY: /s/ James L. Morgan, AAG
James L. Morgan
Environmental Bureau
Assistant Attorney General
500 S. Second Street
Springfield, IL 62706
217-524-7506

Dated: September 16, 2008

CERTIFICATE OF SERVICE

I hereby certify that on September 16, 2008, I electronically filed the foregoing Motion to Refile Appendices to Interim Order with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the attorneys of record in this cause.

/s/ James L. Morgan
James L. Morgan
Environmental Bureau
Assistant Attorney General
500 S. Second Street
Springfield, IL 62706
217-524-7506
jmorgan@atg.state.il.us

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF ILLINOIS

UNITED STATES OF AMERICA,)

Plaintiff,)

v.)

CHEMETCO, INC.,)

Defendant.)

Civil Nos. 00-670-DRH
00-677-DRH (consolidated)
CJRA Track C
Hon. David R. Herndon
U.S. District Judge

PEOPLE OF THE STATE OF)

ILLINOIS, *ex rel.* LISA MADIGAN,)

ATTORNEY GENERAL OF THE)

STATE OF ILLINOIS,)

Plaintiff)

)Hon. David R. Herndon CJRA Track C

v.)

CHEMETCO, INC.,)

Defendant.)

APPENDIX A: (ARARs SOURCE LIST)

ARARs governing the specified activities will be drawn from the following sources. Additional ARARs may be identified as plans are developed and the parties review implementation of the Work under the Consent Decree.

1) MATERIAL HANDLING

- Sections 9, 12, and 21 of the Environmental Protection Act, 415 ILCS 5/9, 12, and 21.
- 35 Ill. Adm. Code Part 722, Subparts A-E.
- 35 Ill. Adm. Code Part 724, Subparts A-D and 724.170, 724.173(a), (b)(2)-(6), (8)-(10), (12), (14), and (16).
- 35 Ill. Adm. Code Part 212, Subparts B (Visible Emissions), K (Fugitive

Particulate Emissions), L (Particulate Emissions), and U (Contingency Plan).

- 35 Ill. Adm. Code Part 309, Subpart B (On-site wastewater treatment)
- Stormwater Management

2) PRODUCT DISPOSITION

- 35 Ill. Adm. Code Part 726, Subpart C (Recyclable Materials Used in a Manner Constituting Disposal), and Subpart F (Recyclable Materials Utilized for Precious Metal Recovery).
- 35 Ill. Adm. Code Part 721, Subpart A.

3) UNIT CONSTRUCTION, OPERATION, AND CLOSURE/POST-CLOSURE

- 35 Ill. Adm. Code Part 724, Subparts F-L.

**4) UNIT CONSTRUCTION, OPERATION, AND CLOSURE/POST-CLOSURE
(WAM Handling and Storage)**

- 35 Ill. Adm. Code Part 724, Subparts F-L and N.

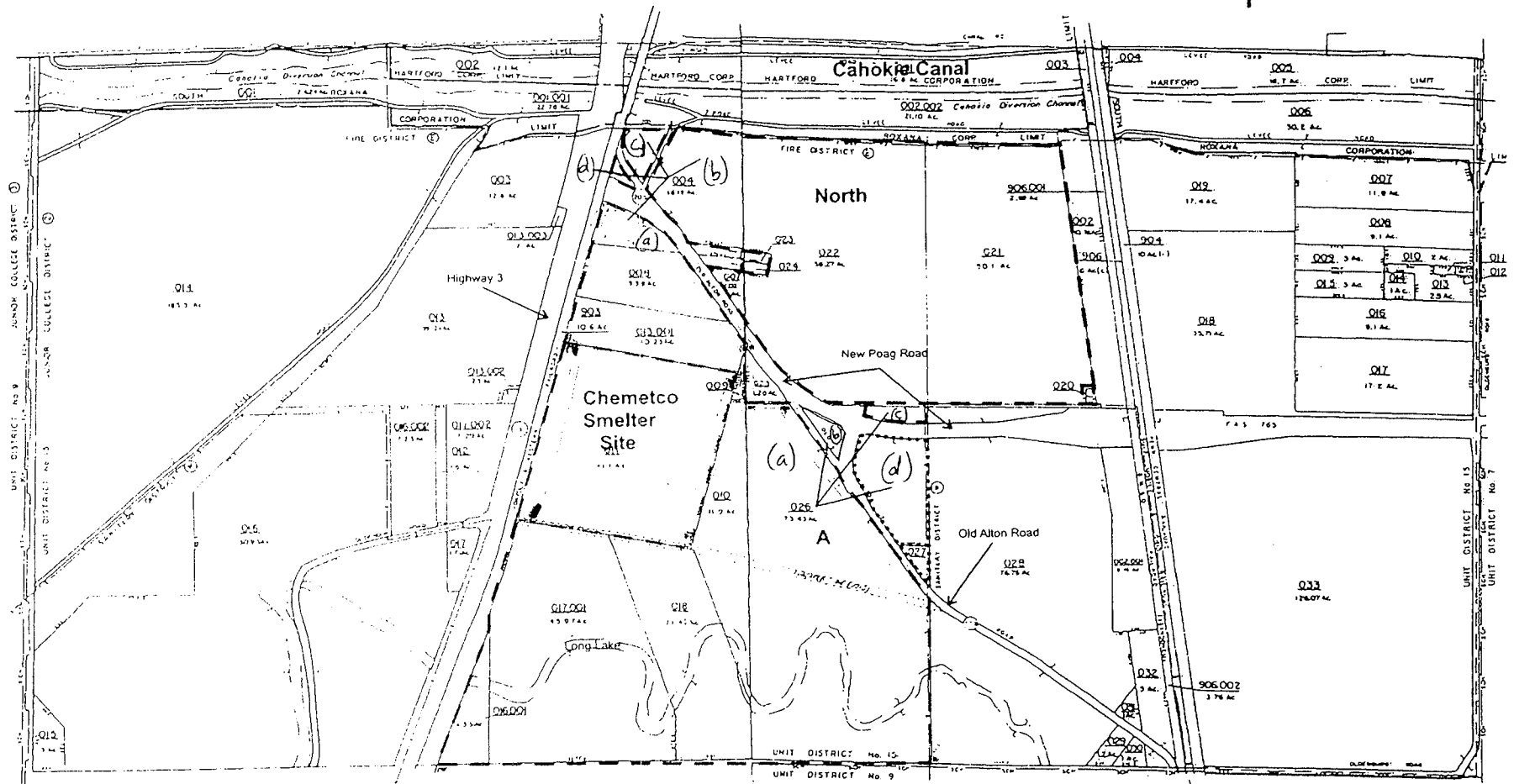
5) MANAGEMENT OF SOURCES OF WAM

- Sections 9, 12, and 21 of the Environmental Protection Act, 415 ILCS 5/9, 12, and 21.
- 35 Ill. Adm. Code Part 724, Subparts A-D and 724.170, 724.173(a), (b)(2)-(6), (8)-(10), (12), (14), and (16).
- 35 Ill. Adm. Code Part 212, Subparts B (Visible Emissions), K (Fugitive Particulate Emissions), L (Particulate Emissions), and U (Contingency Plan).
- Stormwater Management

APPENDIX B (7/18/8)

Estate of Chemetco, Inc. Property Map

- indicates property boundary
- indicates Seal Order boundary
- indicates Smelter site



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF ILLINOIS

UNITED STATES OF AMERICA,)

Plaintiff,)

v.)

CHEMETCO, INC.,)

Defendant.)

Civil Nos. 00-670-DRH
00-677-DRH (consolidated)
CJRA Track C
Hon. David R. Herndon
U.S. District Judge

PEOPLE OF THE STATE OF)
ILLINOIS, *ex rel.* LISA MADIGAN,)
ATTORNEY GENERAL OF THE)
STATE OF ILLINOIS,)

Plaintiff)

)Hon. David R. Herndon CJRA Track C

v.)

CHEMETCO, INC.,)

Defendant.)

APPENDIX C: DECEMBER 4, 2001 SEAL ORDER

- a. All areas within the fencing in place surrounding the plant portion of the Facility as of the date of this order, excluding the main office. See Attachment A.
- b. The truck parking area consisting of fill and slag that is located to the south of the fenced portion of the Facility and is adjacent to Oldenberg Road. See Attachment B.
- c. The area impacted by the illegal discharge south of the fenced portion of the Facility, including the four containment areas and that portion of Long Lake owned by Chemetco, Inc. See Attachment C.
- d. The area containing the groundwater interceptor system, known as the SID system, located south of the fenced portion of the facility and east of the discharge area. See Attachment B.
- e. The surface impoundment located south of Oldenburg Road and east of the SID system. See Attachment B.

II. PARTIES BOUND

This order is binding on and prohibits entry onto the sealed portions of the Facility for all persons except the following:

- a. Employees, authorized agents or contractors of the Illinois EPA.
- b. Employees, authorized agents or contractors of the United States Environmental Protection Agency.
- c. Local police, fire and emergency personnel entering in the course of their duties.
- d. Other persons who have received written authorization to enter the Facility from the Illinois EPA and who enter the Facility in a manner in accordance with any instructions contained within the written authorization.

III. FINDINGS

1. The Facility is a former copper smelter located in Hartford, Madison County, Illinois. During its operation, the Facility generated sludges, baghouse dust, refractory brick, acids and other materials.
2. The operator of the Facility, Chemetco, Inc., filed bankruptcy under Chapter 7 in the U.S. Bankruptcy Court for the Southern District of Illinois on November 13, 2001 and is no longer managing the Facility.
3. The Facility has eight hazardous waste management units subject to closure requirements under the Resource Conservation and Recovery Act ("RCRA"). Closure has not been completed at any of these units.
4. A large pile of slag, estimated to be in excess of 100,000 tons, is located at the facility. This slag has tested as hazardous for the toxicity characteristic for lead. Slag fines are also located on the pile of slag.

5. A large bunker, known as the zinc oxide bunker, also contains sludges that have tested hazardous for the toxicity characteristic for lead.
6. Chemetco, Inc. pled guilty in the U.S. District Court for the Southern District of Illinois to violating the Clean Water Act by discharging wastewaters containing hazardous levels of lead and cadmium into a wetlands area and Long Lake over the course of approximately ten years. This discharge took place to the south of the fenced portion of the Facility, across Oldenberg Road and resulted in the deposition of hazardous contaminants in a wetlands area and Long Lake. The RCRA closure plan for the areas related to this discharge has not been completed.
7. A groundwater interceptor system, known as the SID system, is located to the south of the fenced portion of the facility and east of the discharge area.
8. A surface water impoundment is located to the south of the fenced portion of the Facility. This impoundment has received waters from the plant that may contain contaminants. The impoundment also does not have any physical barrier to access.
9. Fines and other materials containing hazardous levels of lead and cadmium are uncontained and located throughout the Facility.
10. The various contaminants described may become airborne and may be transported by flowing water.
11. The conditions at the Facility constitute an emergency that may pose an immediate threat to human health for any person entering into the Facility.

IV. ORDER

Pursuant to Section 34(b) of the Act the Facility is hereby sealed as indicated in this order, effective on the date of execution. Unauthorized entry into the areas described

in Section I is prohibited. This order shall remain in effect until rescinded by the Illinois

EPA.

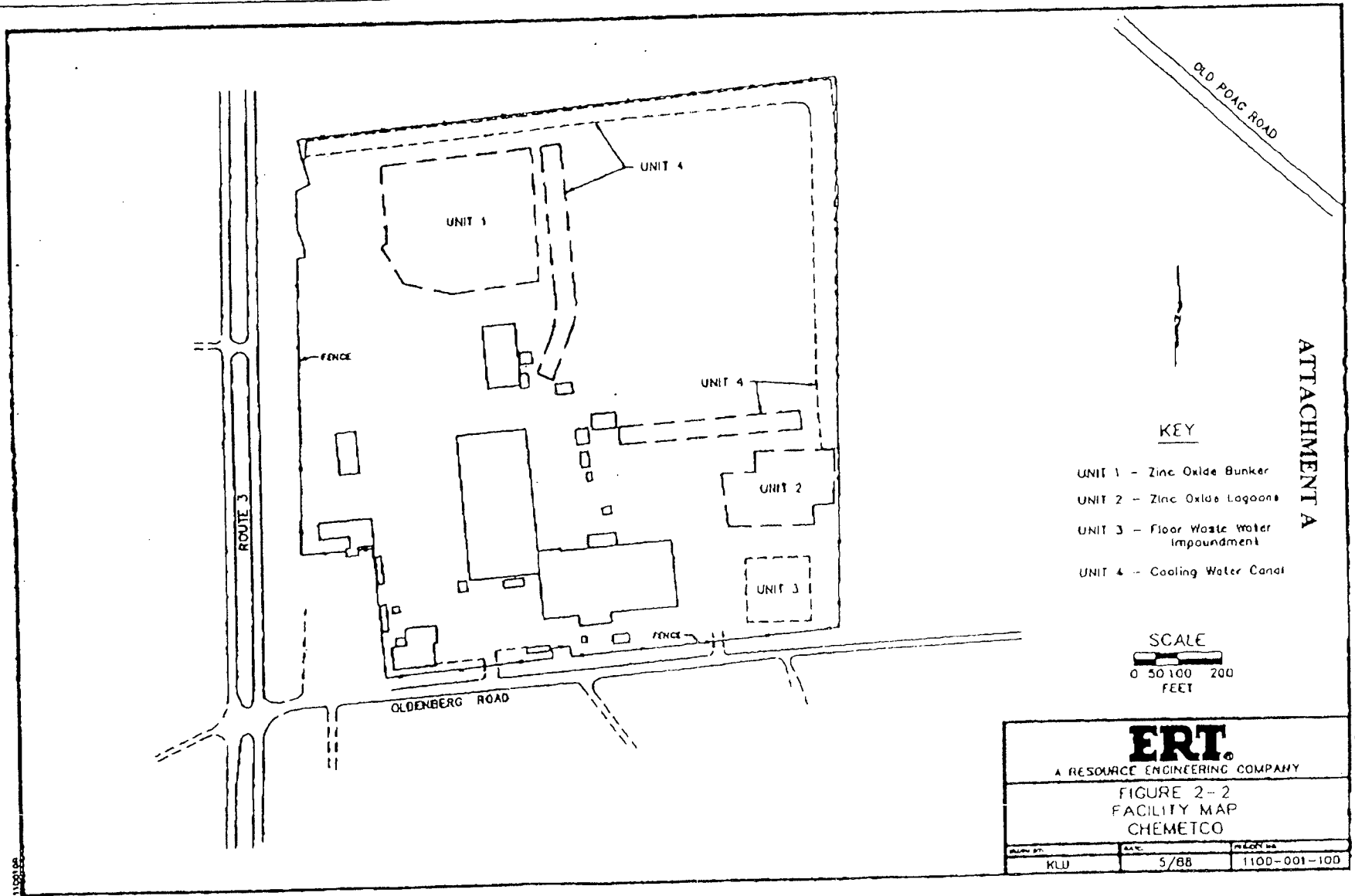
A handwritten signature in cursive script, appearing to read "Renée Cipriano", is written over a horizontal line.

Renée Cipriano

Director

Dated: 12/4/01

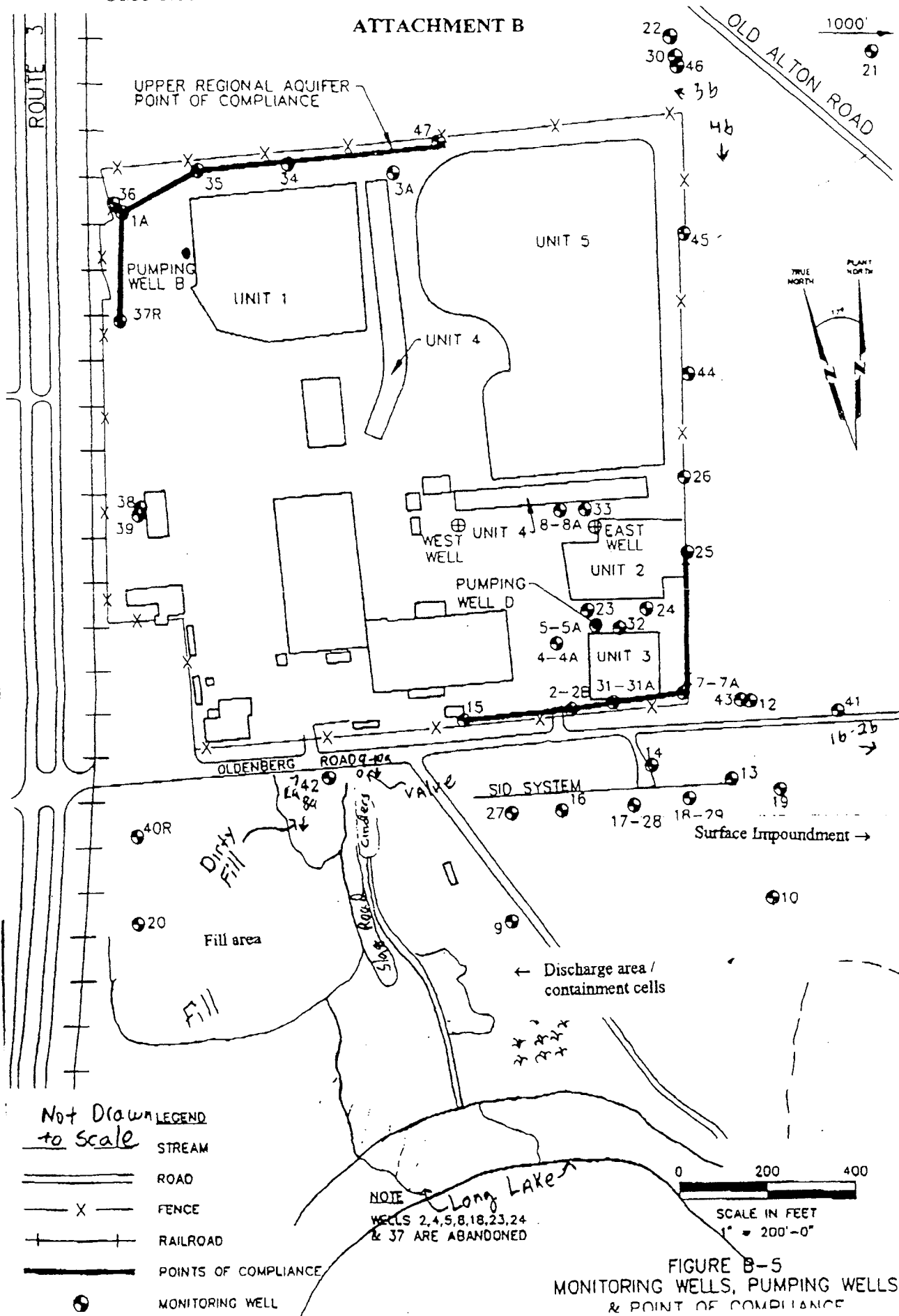
ATTACHMENT A



2-A

12:48PM: ILLINOIS E. P. A.

ATTACHMENT B



Appendix D

Exclusions to Facility Assets

Equipment, Spare Parts, and Supplies

The following equipment, spare parts, and supplies are excluded from the definition of Facility Assets in the Interim Order:

Equipment:

- Lab Bldg
 - Laboratory Equipment
- Brick Shop
 - Pilot Plants
- Offices
 - All office furniture and equipment are excluded

Spare Parts and Supplies

- All store room inventory spare parts and supplies are excluded

RCRA Closure Plan Brick Shop Container Storage Area

Location: Estate of Chemetco, Inc.
3754 Chemetco Lane
Hartford, IL 62048

Prepared by: Gary J. Davis, CHMM
EH&S Manager

Date: January 29, 2008

RCRA Closure Plan
Brick Shop Container Storage Area
January 29, 2008

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RCRA Closure Plan
Brick Shop Container Storage Area
January 29, 2008

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Attachment A – Waste Analyses

Attachment B - Photographs

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Figure 1- Location of Chemetco on Topographic Map

Figure 2- Map of Facility

Figure 3- Brick Shop Container Storage Area Drawing

Figure 4 – Brick Shop Drawing

RCRA Closure Plan
Brick Shop Container Storage Area
January 29, 2008

1.0 Introduction

1.1 Purpose

This document presents a closure plan for a container storage area in the Brick Shop used for storage of hazardous process solutions and solids generated by a Pilot Plant to develop a process to extract valuable metals from scrubber sludge stockpiled on the Bankruptcy Estate of Chemetco, Inc. former smelter site. The closure plan is to clean close this area as part of the response actions to address violations cited in Illinois Environmental Protection Agency (IEPA) Violation Notice Letter (VNL), dated October 10, 2007. IEPA identified the 800 sf area inside the Brick Shop as a Hazardous Waste Management Unit (HWMU).

1.2 Background

Metals Finance Corporation (MFC), a Canadian metals recycling company, in an agreement with the Estate operated a Pilot Plant located inside the Brick Shop, a 6,000 sf concrete and steel building in excellent condition, from 2005 until 2007. In 2007, MFC terminated its efforts to develop a process for extracting metals but Electrometals Technologies, Inc., an Australian metals recycling company, expressed interest in developing a process to extract metals from stockpiles at Chemetco and using the MFC Pilot Plant and evaluating the process solutions and solids in containers in the container storage area. The container storage area consisted of an area of approximately 600 sf where approximately 550 gallons of acid solutions containing dissolved metals, including lead and cadmium (See analytical results labeled as EMEW Soln, Attachment A.) were stored in a 350 gallon plastic tote and a 250 gallon plastic tank. The solutions are not a listed waste but is hazardous for lead and cadmium. In this area was stored approximately 800 pounds of process filter solids that were acidic and contained metal compounds, including lead and cadmium (See analytical results labeled as EMEW Solids, Attachment B) and stored in a plastic container with a covered lid. The solids are not a list waste but is hazardous for lead and cadmium. No significant spills or releases have occurred except for a small drip area, less than 1.0 sf, that had crystallized under a valve on a solution tank.

1.3 Action to Date

The week of October 15, 2007, Chemetco personnel transferred all of the solutions and solids to approved plastic 55-gallon drums. All containers in the container storage area and the drip area on the concrete floor were triple rinsed and wash waters transferred to approved 55-gallon drums. All drums were disposed as hazardous waste. The area is now bare concrete floor as it originally was.

1.4 Summary of Contents

In addition to the technical details of closure, this submission provides closure cost estimates and a schedule under which the Estate proposes to conduct closure activities. This plan has been developed in accordance with IEPA's *Guidance for Preparing RCRA Closure Plans*, dated July 2003.

1.5 Goals

This is a final closure of the container storage area which has no use at this time but is expected to be available for future use consistent with the rest of the Brick Shop.

A licensed professional engineer in the State of Illinois will certify that closure has been attained and a Certificate of Closure issued.

RCRA Closure Plan
Brick Shop Container Storage Area
January 29, 2008

2.0 Facility Description

2.1 Overall Facility Description

The Chemetco facility is located within a primarily agricultural, commercial warehousing and light residential area south of Hartford, Illinois in unincorporated Madison County. The facility is bounded on the west by the Norfolk Southern railroad line and Highway 3, major, heavily traveled rail and highway routes; on the north by farmland owned by Chemetco and New Poag Road; on the east by farmland owned by the Estate and Old Alton Road; and on the south by wetlands, a tributary of Long Lake, filled areas and woodlands owned by the Estate and private farmland owned by Dave Mueller. The nearest residences are two dwellings to the north and one to the west, within 500 feet. The nearest other residences are over 1500 feet to the east and over 2500 feet to the southeast. The State of Illinois Lewis and Clark Center and park are located within 1000 feet to the northwest across Highway 3 (Figure 1). No other public facilities are within 1 mile of the facility. Newly developed commercial warehouses are located approximately ½ mile from the facility to the east. More specifically, the 41 acre facility is in the Southeast 1/4, Section 16, Township 4 North, Range 9 West of the Third Meridian in Madison County, Illinois (Figure 1).

Chemetco, Inc. is registered under the following environmental identification numbers:

USEPA ID No.: ILD 048843809
IEPA ID No.: 1198010003

Chemetco is the site of a former secondary copper smelter that produced copper anodes and lead-tin ingots for commercial sales from scrap copper, lead and tin bearing materials and operated under SIC 3341-Secondary Smelting and Refining of Nonferrous Metals (NAICS 331423-Secondary Smelting, Refining, and Alloying of Copper).

The size of the Chemetco facility, where all smelting operations occurred (Figure 2) and where the container storage area is located, is 41.1 acres.

The Chemetco facility is considered by IEPA as an Interim Status RCRA Hazardous Waste Transportation, Storage, and Disposal Facility due to a Part A application by Chemetco in the 1980's. The facility has been the subject of hazardous waste management violations since the 1980's and has at least five identified SWMU's that were ordered closed in a 1986 Consent Decree with IEPA but not units have ever been closed. It is understood that IEPA and USEPA believe that there are over dozen AOC's on the facility including the stockpiles of slag. In 1996, Chemetco was found to have illegally discharged hazardous waste on their property to Long Lake which lead to a major cleanup effort that was never closed. On October 31, 2001 ceased all operations on the facility and filed for Chapter 7 Bankruptcy protection. Laura K. Grandy was appointed the Trustee and administers the facility and all owned property today. The facility is under an IEPA Administrative Seal Order issued December 4, 2001, that remains in effect today. None of these issues appears to impact the container storage area closure plan due to its location inside a contained building that was not the site of any hazardous waste management activities, known to the Estate of Chemetco, Inc. (Estate).

2.2 Brick Shop Facility Description

The container storage area is located inside the Brick Shop in the northeast corner (Figure 3). The Brick Shop is a 60 foot wide by 80 foot long by 20 foot high fully enclosed building attached to the southwest corner of the Foundry Building. The Brick Shop was constructed with sealed-joint concrete floors and 5 foot high concrete walls with metal beams and siding finishing off the sides and a metal truss, flat roof. The building has a large electric roll-up garage door opening on the east and a standard door on the west. The

RCRA Closure Plan
Brick Shop Container Storage Area
January 29, 2008

building is equipped with overhead lights, exhaust fans, gas heaters and major electrical power supplies. Well water was also accessible in the building. There are no drains, sumps or other pathways for materials to exit the interior of the building except the doorways. A former pre-fab storage container is located in the southeast corner. Steel racks on the west side still hold several metal refractory lined chutes used to convey molten metal in the smelter. The Brick Shop was originally used to reline these types of chutes and melt pots with refractory brick and mortar.

3.0 Description of Hazardous Waste Management Unit (HWMU)

3.1 Regulatory Status

The Pilot Plant operations in the Brick Shop were considered exempt from RCRA permitting until the Estate received an IEPA Violation Notification Letter (VNL), dated October 10, 2007. At that time the operation of the Pilot Plant and the container storage area had been in existence since 2005 and was well known to IEPA. As of the VNL, this position changed and the regulatory status of the container storage area changed to that of an HWMU and the RCRA permit was denied due to violation of 35 Ill. Adm. Code Part 722.134 (a).

3.2 HWMU Description

In 2005, the Brick Shop was cleaned out except as described above, floors and walls washed with fire hoses and pressure washers for the installation of the MFC Pilot Plant. All Pilot Plant equipment and storage containers were placed on drip pads constructed of heavy plastic sheeting with 3 inch walls for containment. The container storage area (the HWMA of concern) was established in a 20 foot by 30 foot area along the north wall near the northeast corner of the building where totes, drums, a small plastic tank and a large plastic container were located to store excess process solutions and solids along with small plastic containers used in the processing (these were stored on plastic sheeting with absorbent plgs surrounding them). No significant spills or releases have occurred except for a small drip area, less than 1.0 sf, that had crystallized under a valve on a solution tank (See Section 1.2 Background).

3.3 Process Description

M24 - Metals Recycling

3.4 Waste Managed

Waste Stream Name	Chemical Name	EPA HW Numbers	Hazardous Properties	Hazardous Constituents and Degradation Compounds	Chemical Analysis
Waste Corrosive Liquids, Toxic	Sulfuric Acid	D006, D008	Corrosive Toxic	Lead Compounds Cadmium Compounds	See EMEW Soln, Attachment A
Waste Corrosive Solids, Toxic	Sulfuric Acid	D006, D008	Toxic	Lead Compounds Cadmium Compounds	See EMEW Solids, Attachment B
Hazardous Waste Solids, NOS	Cadmium, Lead	D006, D008	Toxic	Lead Compounds Cadmium Compounds	No analysis (PPE, filter bags, etc. contaminated by above waste streams)

RCRA Closure Plan
Brick Shop Container Storage Area
January 29, 2008

3.5 Volume of Waste Managed

Waste Stream Name	Current Volume of Each Waste Type	Max Inventory of Waste Type since Beginning	Total Past and Total Current Volume
Waste Corrosive Liquids, Toxic	None	4500 lbs	4500 lbs
Waste Corrosive Solids, Toxic	None	900 lbs	900 lbs
Hazardous Waste Solids, NOS	None	75 lbs	75 lbs

3.6 Routing of Waste

Liquid wastes were pumped approximately 20 feet from Pilot Plant to container storage area. Solids were placed in small plastic containers, weighed and dumped into large plastic container in storage area. PPE, filter bags etc. were placed in a 55-gallon drum.

3.7 Size/Volume of Each Unit

The Pilot Plant produced 100 L batches of extracted solution and solids that were filtered through a plate and frame press. Liquids were conveyed to a 100 L plastic tank, sampled and when released transferred by pump and chemical hose to a 1000 L plastic tank on a drip pad. The solids were collected from the five (5) leaves of the filter press during cleanout into a 2 gallon plastic container. After sampling the solids were deposited in the large plastic container in the storage area.

3.8 Time Period Used

The Pilot Plant and subsequent generation of process solutions and solids occurred during approximately four monthly periods from the fall of 2005 until late Spring 2007.

3.9 Prior Use of HWMU Area

The HWMU area was used by Chemetco until they shutdown on October 31, 2001 for refractory relining of chutes and melt pots. From November 1, 2001 until the fall 2005, when the Pilot Plant was started up, the HWMU area was vacant space in an unused building.

3.10 Scaled Drawing of HWMU Area

Dimensions: 50' wide by 80' long by 20' high (Brick Shop Drawing, Figure 4)

Drains, etc.: No sumps, trenches, drains or other similar structures that would provide pathways out of the Brick Shop.

HWMU Drainage: The floor in this area is essentially flat.

RCRA Closure Plan
Brick Shop Container Storage Area
January 29, 2008

Containment: No containment is present inside the Brick Shop except Chemetco used absorbent pigs as containment in part of the storage area and across the rollup door opening during processing to prevent potential of any internal release going outside.

Cracks, etc.: As shown in Figure 4, cracks do exist along joints in the container storage area that appear greater than 1/4 inch.

3.11 Material Underlying HWMU

There is no known evidence of exactly what underlies the HWMU or any other structures on the Chemetco facility. It is understood from others, that the floor of the Brick Shop is probably 8" thick steel rebar reinforced concrete slab over a foundation of slag over the native clay soils.

3.12 Photographs of HWMU Before Cleanup

As shown on Photograph #1 (note orientation on Figure 4), is the container storage area prior to cleanup and shows the west side of the area, whereas Photograph #2 shows the east side. Photograph #3 shows the small drip/spill that has crystallized under the valve on the tank. Photograph #4 shows the Pilot Plant.

4.0 Closure Activities

4.1 Remediation Activities

4.1.1 Objectives

Dust to past uses of the Brick Shop and the presence of fugitive dusts on the site that contain lead and cadmium, the most reasonable approach to establishing a remediation objective for closure is to use the level of lead and cadmium and other metals on the surface of the concrete floor as the threshold. Core samples of the top 1/4 inch of the surface from three (3) representative locations of the Brick Shop at least 20 feet away from the container storage area and the Pilot Plant, as selected by the professional engineer, will be analyzed for Total Metals by the USEPA Method 3050B, 8010B, Metals by ICP. The average of the three metal results for lead and cadmium from the samples will be used as the remediation objective.

4.1.2 Remediation

Two (2) core samples of the top 1/4 inch of the surface from representative areas of the container storage area, as selected by the professional engineer, will be analyzed by the USEPA Method for Total Metals by ICP and:

1. If the lead and cadmium results are less than or equal to the remediation objective, the area is considered remediated and sealing of the joints can proceed and closure will have been attained but
2. If the lead and cadmium results are greater than the remediation objectives, the joints will be sealed, absorbent pigs placed around the area and the surface of the floor pressure washed with well water using TSP. All wash water and solids will be collected and disposed of accordingly. The floor will be sealed with an epoxy coating and closure will have been attained.

4.2 Estimated Costs

The cost of completing the work to clean close the container storage area by a third party is expected to be between \$ 7,500 and \$15,000.

RCRA Closure Plan
Brick Shop Container Storage Area
January 29, 2008

4.3 Schedule

Upon approval of this closure plan, Chemetco estimates that the time to complete the closure activities and execute the Certificate of Closure will take 30 – 45 days depending on weather (concrete floors have to be dry and warm for most epoxy coatings).

5.0 Status of Facility After Closure

Chemetco has no plans to use the container storage area after closure; however they do consider it be as available as any other part of the Brick Shop for future use.

6.0 Certification/Signatory Requirements

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the persons or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Signature: _____

Date: _____

Signed by: Laura K. Grandy

Position: Trustee

Estate of Chemetco, Inc.

ATTACHMENT A WASTE ANALYSES

ATTACHMENT B
PHOTOGRAPHS

FIGURES

RCRA Closure Plan AAF Decontamination Area and Sump

Location: Estate of Chemetco, Inc.
3754 Chemetco Lane
Hartford, IL 62048

Prepared by: Gary J. Davis, CHMM
EH&S Manager

Date: January 31, 2008

RCRA Closure Plan
AAF Decontamination Area and Sump
January 31, 2008

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RCRA Closure Plan
AAF Decontamination Area and Sump
January 31, 2008

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List of Attachments

Attachment A – Photographs

Attachment B – Waste Analysis

List of Figures

Figure 1- Location of Chemetco on Topographic Map

Figure 2- Map of Facility

Figure 3- AAF Decontamination Area and Sump Drawing

RCRA Closure Plan
AAF Decontamination Area and Sump
January 31, 2008

1.0 Introduction

1.1 Purpose

This document presents a closure plan for the AAF decontamination area and sump used to decontaminate stainless steel ducts and other piping with scrubber sludge residue on the interior. The ducts and piping were removed from the AAF Area during an aborted demolition project in September 2007. The closure plan is to clean close this area as part of the response actions to address violations cited in Illinois Environmental Protection Agency (IEPA) Violation Notice Letter (VNL), dated October 10, 2007. IEPA identified the AAF decontamination area and sump as a Hazardous Waste Management Unit (HWMU) as shown on Figures 2 and 3.

1.2 Background

On August 31, 2007, the Estate of Chemetco, Inc. (Estate) and its contractor, Industrial Trading Group, Inc. (ITG) started demolition of the former air emissions pollution control system, commonly known as the AAF Area. A Work Plan had been developed and submitted to IEPA. In the Work Plan, the "original" decontamination pad was to be constructed in a concrete "U" shaped walled area in the southwest corner of this area (Figure 3 and Photo #1, Attachment A) where residual scrubber sludge (emissions particulates wet scrubbed from the air in the pollution control system in the AAF area and which has hazardous characteristics for lead and cadmium) was to be removed from the interior of the ducts to make them acceptable for sale as prime stainless steel and steel scrap. It became obvious during the early stages of the demolition that the large ducts (up to 9 feet in diameter) were not going to fit into this area. The decontamination pad was relocated to an area along the south wall of the elevated South Polish Pit where the concrete surface was intact and sloped to a bind concrete sump at the southeast corner of the pit outer wall (Photos #2 and #3). A 20 foot wide area from the southwest corner of the pit wall to the sump was covered with 6-mil plastic sheeting, fiberglass grid decking was laid over the plastic to protect it from puncture by the large sections of ducts (approximately 20 feet long and cut in half). A hydro-blast unit had been set up using fine slag from the site (which has hazardous characteristics for lead and cadmium) and was in the process of being demonstrated when the work was shutdown by IEPA. On October 10, 2007, IEPA issued a Violation Notice Letter indicating that the AAF Decontamination Area and sump were a Hazardous Waste Management Unit (HWMU) and were required to undergo RCRA Closure.

1.3 Action to Date

All activity in the AAF Area and the AAF Decontamination Area has ceased and the sump, formerly used to collect stormwater as part of the facility stormwater management program, has ceased, resulting in flooding in the area. As this area was designed by Chemetco to be a low point, these waters appear to be contained in this area and not appear to pose a risk to the environment beyond what has historically occurred prior to this event.

1.4 Summary of Contents

In addition to the technical details of closure, this submission provides closure cost estimates and a schedule under which the Estate proposes to conduct closure activities. This plan has been developed in accordance with IEPA's *Guidance for Preparing RCRA Closure Plans*, dated July 2003.

1.5 Goals

This is a final closure of the AAF decontamination area and sump. Future use of the area will be dependent on the approval of a Work Plan by IEPA to continue the demolition of the AAF Area, as this area is a critical location for the demolition and decontamination process that will probably be required for that work. Future

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AAF Decontamination Area and Sump
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use of the sump is dependent on the ability of the Estate to demonstrate a successful approach to cleaning the sump and sealing it so that surface waters and materials can not penetrate to the soils below.

A licensed professional engineer in the State of Illinois will certify that closure has been attained and a Certificate of Closure issued.

2.0 Facility Description

2.1 Overall Facility Description

The Chemetco facility is located within a primarily agricultural, commercial warehousing and light residential area south of Hartford, Illinois in unincorporated Madison County. The facility is bounded on the west by the Norfolk Southern railroad line and Highway 3, major, heavily traveled rail and highway routes; on the north by farmland owned by Chemetco and New Poag Road; on the east by farmland owned by the Estate and Old Alton Road; and on the south by wetlands, a tributary of Long Lake, filled areas and woodlands owned by the Estate and private farmland owned by Dave Mueller. The nearest residences are two dwellings to the north and one to the west, within 500 feet. The nearest other residences are over 1500 feet to the east and over 2500 feet to the southeast. The State of Illinois Lewis and Clark Center and park are located within 1000 feet to the northwest across Highway 3 (Figure 1). No other public facilities are within 1 mile of the facility. Newly developed commercial warehouses are located approximately 1/2 mile from the facility to the east. More specifically, the 41 acre facility is in the Southeast 1/4, Section 16, Township 4 North, Range 9 West of the Third Meridian in Madison County, Illinois (Figure 1).

Chemetco, Inc. is registered under the following environmental identification numbers:

USEPA ID No.: ILD 048843809
IEPA ID No.: 1198010003

Chemetco is the site of a former secondary copper smelter that produced copper anodes and lead-tin ingots for commercial sales from scrap copper, lead and tin bearing materials and operated under SIC 3341-Secondary Smelting and Refining of Nonferrous Metals (NAICS 331423-Secondary Smelting, Refining, and Alloying of Copper).

The size of the Chemetco facility, where all smelting operations occurred (Figure 2) and where the AAF decontamination area and sump is located, is 41.1 acres.

The Chemetco facility is considered by IEPA as an Interim Status RCRA Hazardous Waste Transportation, Storage, and Disposal Facility due to a Part A application by Chemetco in the 1980's. The facility has been the subject of hazardous waste management violations since the 1980's and has at least five identified SWMU's that were ordered closed in a 1986 Consent Decree with IEPA but not units have ever been closed. It is understood that IEPA and USEPA believe that there are over dozen AOC's on the facility including the stockpiles of slag. In 1996, Chemetco was found to have illegally discharged hazardous waste on their property to Long Lake which lead to a major cleanup effort that was never closed. On October 31, 2001 ceased all operations on the facility and filed for Chapter 7 Bankruptcy protection. Laura K. Grandy was appointed the Trustee and administers the facility and all owned property today. The facility is under an IEPA Administrative Seal Order issued December 4, 2001, that remains in effect today. It is understood that the site is the subject of CERCLA action by IEPA which does not appear at this time to impact this closure action.

RCRA Closure Plan
AAF Decontamination Area and Sump
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2.2 AAF Decontamination Area and Sump Description

The AAF decontamination area, as shown on Figure 3, is a 20 foot wide concrete covered area extending from the southwest corner of the South Polish Pit to the sump at the southeast corner of the South Polish Pit, a distance of approximately 82 feet. The sump is constructed of concrete and has dimensions of 3 feet wide by 5 feet long by 3 feet deep. Between this area and the Tank House to the south is a concrete covered area of questionable integrity. The entire area prior to the demolition work was the location of large tanks and piping systems for handling slurries of scrubber sludge and the entire area was covered with scrubber sludge as shown in Photos #1, #2, and #3.

3.0 Description of Hazardous Waste Management Unit (HWMU)

3.1 Regulatory Status

The decontamination operations in this area were considered exempt from RCRA permitting until the Estate received an IEPA Violation Notification Letter (VNL), dated October 10, 2007. Prior to the start of the demolition work, it was common practice to use the sump to discharge the stormwater in this area to the facility lagoons as part of the stormwater management program. As of the VNL, this position changed and the regulatory status of the AAF decontamination area and sump changed to that of an HWMU and the RCRA permit was denied due to violation of 35 Ill. Adm. Code Part 722.134 (a).

3.2 HWMU Description

The HWMU area has been expanded beyond the AAF decontamination area and sump, specifically addressed in the VNL, to include the concrete area east of the Polish Pits due to presence of ducts that have residual scrubber sludge inside. As shown in Figure 3 the HWMU area is an approximately 13,880 sf open, concrete covered area, as described in Section 2.2. As seen in Photos #4 and #6, involved in this area is the plastic sheeting and fiberglass grids, 15 sections of stainless steel ducts that have residual scrubber sludge contamination on the interior, various scrap metal pipes and materials in the "U" shaped concrete structure and a coating of scrubber sludge and debris across the surface of area between the South Polish Pit and the Tank House. The surface sediments in the AAF decontamination area was sampled on 9/24/07 (identified as "Clean Area Road Soil", Attachment B) and found to contain lead and cadmium above TCLP levels. The water in the sump was sampled on 9/24/07 (identified as "Clean Area Sump", Attachment B) and was found have hazardous characteristics for lead and cadmium.

3.3 Process Description

Abrasive removal of scrubber sludge from stainless steel using hydro-blasting with slag fines as abrasive material in water stream.

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3.4 Waste Managed

Waste Stream Name	Chemical Name	EPA HW Numbers	Hazardous Properties	Hazardous Constituents and Degradation Compounds	Chemical Analysis
Hazardous Waste Solids, NOS	Cadmium, Lead	D006, D008	Toxic	Lead Compounds Cadmium Compounds	See "Clean Area Road Soil", Attachment B
Hazardous Waste Liquids, NOS	Cadmium, Lead	D006, D008	Toxic	Lead Compounds Cadmium Compounds	See "Clean Area Sump", Attachment B

3.5 Volume of Waste Managed

Waste Stream Name	Current Volume of Each Waste Type (still in area, not in containers)	Max Inventory of Waste Type since Beginning	Projected Volume
Waste Corrosive Solids, Toxic	~ 1000 lbs	0	~ 1000 lbs
Waste Corrosive Liquids, Toxic	~ 20,000 lbs	0	20,000 lbs
Hazardous Waste Solids, NOS	~ 1000 lbs	14,680 lbs	1000 lbs

3.6 Routing of Waste

Except for cleanup and disposal of a mixture of scrubber sludge and demo debris (mostly insulation), 14,680 lbs, that was shipped to Heritage for hazardous waste disposal, no other collection of wastes has occurred in the HWMU area. The volumes stated in Section 3.5 are estimates of what we expect to generate during cleanup and they will most likely be routed to Heritage Environmental for disposal.

3.7 Size/Volume of Each Unit

The hydro-blast unit is estimated to have generated less than 200 lbs of hazardous solids, including slag fines, before it was shutdown. The hydro-blast unit did not contribute significantly to the waste water, than was generated by stormwater impacting the scrubber sludge on the surface of the area.

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AAF Decontamination Area and Sump
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3.8 Time Period Used

The work in the AAF Decontamination Area started on August 31, 2007 and shutdown on September 11, 2007. The hydro-blast unit was used less than four hours as it was still being demonstrated when we shutdown.

3.9 Prior Use of HWMU Area

Prior to shutdown at Chemetco on October 31, 2001, the HWMU area saw extensive in the handling of scrubber sludge slurries and recycled spray water to the AAF System. At least three 10,000 gallon tanks were in the area and used as hold tanks for scrubber sludge, the valving and piping system from the Polish Pits to the filtration system in the Tank House was in this area. Releases and spills of scrubber sludge was very common in this area. Since shutdown the Estate's only use for the area was the area has been to use a sump pump to remove the stormwater and pump it to the lagoons, per our stormwater management program.

3.10 Scaled Drawing of HWMU Area

Dimensions: L shaped area that runs 130' widest by 220' longest, 13,880 sf (AAF Decon Area and Sump, Figure 3)

Drains, etc.: The area slopes toward the sump at the southeast corner of the South Polish Pit. The sump is a concrete bind sump that is 3' wide by 8' long by 3' deep with a grate over the top.

HWMU Drainage: This area drains to the sump.

Containment: No containment is present other than the constructed presence of being in a low area by design.

Cracks, etc.: The concrete joints could not be inspected due to the water present but prior to installation of the decontamination pad their were not obvious major joint separations noted.

3.11 Material Underlying HWMU

There is no known evidence of exactly what underlies the HWMU or any other structures on the Chemetco facility. It is understood from others, that Chemetco used slag as aggregate for a compaction layer and it would not be uncommon to find that the HWMU was under-laid with slag over the native clay soils.

3.12 Photographs of HWMU Before and After Demolition Project

Photos #1, #2, and #3, Attachment A, show the HWMU prior to the start of the demolition and as it has appear essentially since shutdown on October 31, 2001. The surface is covered with the grayish scrubber sludge. In Photos #4 thru #7 the area is shown as it exists today. Unfortunately, because of the freezing the sump was not very visible. The photographs do show that today, the area is littered with sections of duct work which has probably contributed to some contamination on the concrete pad on the east side of the Polish Pits.

RCRA Closure Plan

AAF Decontamination Area and Sump

January 31, 2008

4.0 Closure Activities

4.1 Remediation

4.1.1 Objectives

The Estate proposes to have a profession engineer licensed in Illinois to oversee the cleanup of the HWMU area where the objectives are:

1. Decontaminate the area and sump, including the sections of stainless steel ducts and scrap metal stored in the area.
2. Remove or dispose of all materials in the area, and
3. Seal the surface of the area and the sump, if practicable, otherwise insure that all joints, cracks, or holes are closed.

4.1.2 Remediation

No remedial activities will be conducted until the weather is consistently warm enough to allow the area to dry out after stormwater is pumped off. Remediation is expected to consist of the following activities:

1. Relocate all sections of duct that have residual scrubber sludge contamination back into the AAF Demolition Prep Area,
2. Pump all stormwater in the area into a Frac Tank or similar. Sample for waste determination and dispose based on RCRA requirements,
3. Using a vacuum truck, with multiple suction nozzles, vacuum the surface of the entire area, including inside the sump to remove all contaminants to the extent practicable. Perform waste determination on material removed and dispose based on RCRA requirements,
4. Remove and dispose of all non-saleable materials, such as plastic sheeting and demolition debris,
5. Pressure wash the AAF Decontamination Area and sump three times, collect all wash waters, sample for waste determination and dispose based on RCRA requirements,
6. Evaluate sealant coatings for the area, and if practicable, seal surfaces of area including the inside of the sump, and
7. Professional Engineers submits Certification of Closure.

4.2 Estimated Costs

The cost of completing the work to clean close the AAF decontamination area and sump by a third party is expected to be between \$ 27,500 and \$45,000, depending on sealant costs and waste volumes.

4.3 Schedule

Upon approval of this closure plan, Chemetco estimates that the time to complete the closure activities and execute the Certificate of Closure will take 30 - 45 working days depending on weather.

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AAF Decontamination Area and Sump
January 31, 2008

5.0 Status of Facility After Closure

Chemetco has no plans to use the AAF decontamination area and sump after closure; however they do consider it to be as available as any other part of the site should the AAF Demolition work start, again.

6.0 Certification/Signatory Requirements

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the persons or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Signature: _____

Date: _____

Signed by: Laura K. Grandy

Position: Trustee

Estate of Chemetco, Inc

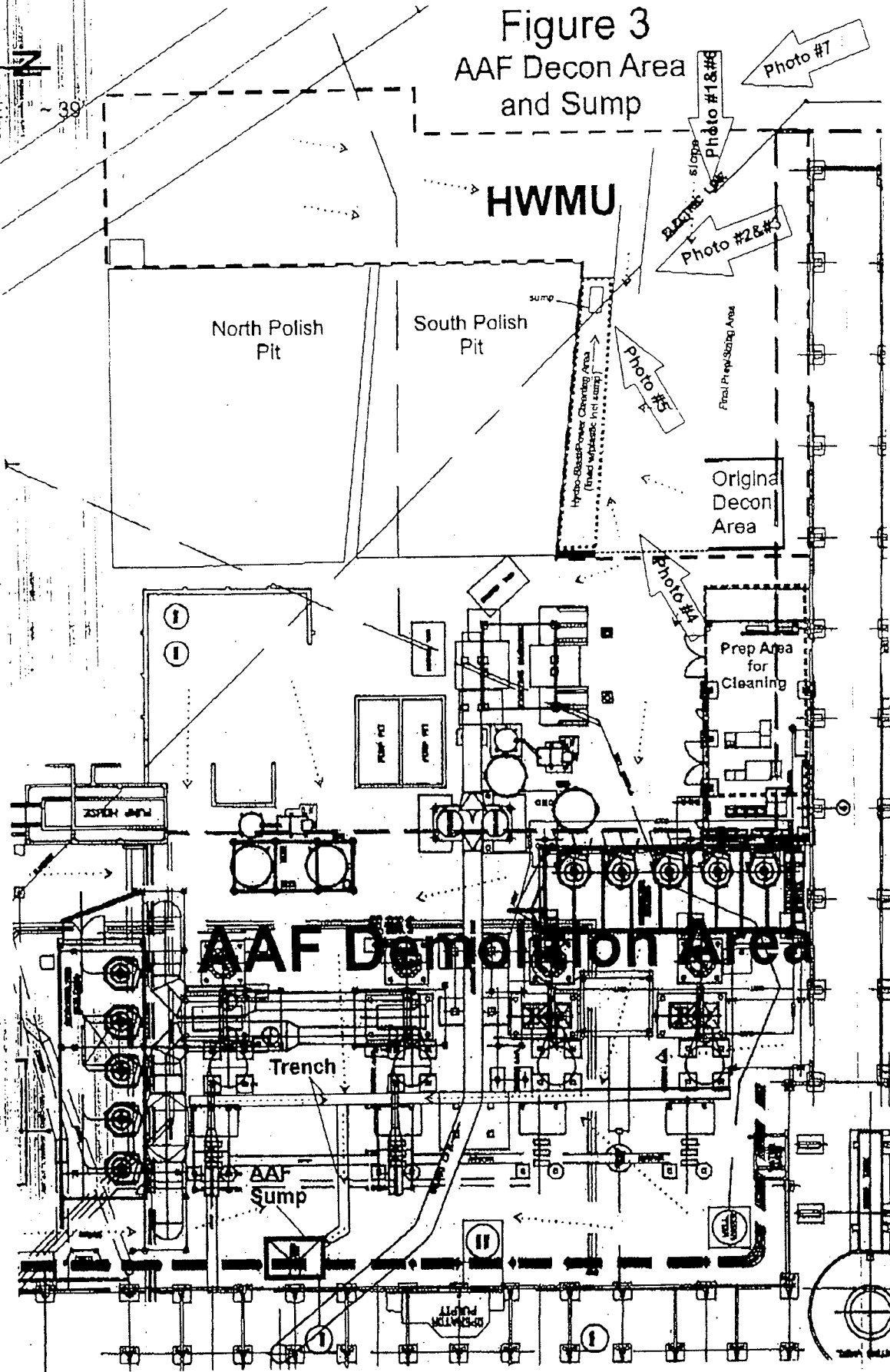
ATTACHMENT A
PHOTOGRAPHS

ATTACHMENT B
WASTE ANALYSIS

FIGURES

Figure 3
AAF Decon Area
and Sump

SCALE: 1" = 39'





ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1621 NORTH GRAND AVENUE, EAST, P.O. BOX 19276, SPRINGFIELD, ILLINOIS 62794-9276 • (217) 521-3397
JAMES R. TOLSON CENTER, 110 WEST RANDOLPH, SUITE 11-400, CHICAGO, IL 60601 • (312) 814-6026

ROD R. B. ALCORNE, GOVERNOR • DOUGLAS P. SCOTT, DIRECTOR

217/524-3300

May 13, 2004

Certified Mail
7007 0220 0000 0040 2938

Estate of Chemetco, Inc.
Attn: Laura Grandy, Trustee
Mathis, Marifian, Richter & Grandy, Ltd.
23 Public Square, Suite 300
Belleville, Illinois 62208

Re: 1198010003 —Madison County
Chemetco
ILD048843809
Log No. C-861 and C-862
Received: February 4, 2008
RCRA Closure

Dear Ms. Grandy:

This is in response to the January 31, 2008 submittal made by Gary J. Davis, EH&S Manager, Estate of Chemetco, Inc. Mr. Davis's submittal included closure plans for two alleged hazardous waste management units at the above-referenced facility (these units are referred to as the "Brick Shop Container Storage Area" and the "AAF Decontamination Area and Sump"). A drawing showing the location of these units within the subject facility is attached. It must be noted that these plans were submitted to Illinois EPA to address, in part, alleged violations set forth in Violation Notice L-2007-01375 dated October 10, 2007.

The plans to complete closure of the hazardous waste management units mentioned above are hereby approved subject to the following conditions and modifications:

1. In accordance with 35 Ill. Adm. Code 725.213(b), all activities necessary to complete closure of the subject units must be completed within 180 days of the date of this approval letter. Illinois EPA may approve an extension of this deadline if the Estate of Chemetco submits a closure plan modification request which contains information demonstrating that: (1) the closure activities will, of necessity, take longer than 180 days to complete; and (2) the Estate of Chemetco has taken and will continue to take all steps necessary to prevent threats to human health and the environment from the units, including compliance with all applicable interim status requirements.

ROCKFORD - 4302 North Main Street, Rockford, IL 61103 - (815) 987-2760 • DES PLAINES - 9511 W. Harrison St., Des Plaines, IL 60016 - (847) 294-4000
ELGIN - 595 South State, Elgin, IL 60123 - (847) 608-3131 • PEORIA - 5415 N. University St., Peoria, IL 61614 - (309) 693-5463
BUREAU OF LAND - PEORIA - 7620 N. University St., Peoria, IL 61614 - (309) 693-5462 • CHAMPAIGN - 2125 South First Street, Champaign, IL 61820 - (217) 278-5800
SPRINGFIELD - 4500 S. Sixth Street Rd., Springfield, IL 62706 - (217) 786-6892 • COLLINSVILLE - 2009 Mall Street, Collinsville, IL 62234 - (618) 346-5120
MARION - 2309 W. Main St., Suite 116, Marion, IL 62959 - (618) 993-7200

Ms. Laura Grandy
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- a. In accordance with 35 Ill. Adm. Code 725.213(e), a closure modification request for an extension of the time required to complete closure must be submitted to Illinois EPA at least 30 days prior to the expiration of the 180-day closure period.
 - b. The closure plan modification request for an extension of the time required to complete closure must contain a revised schedule which identifies: (1) the various tasks which must be conducted to complete closure of the unit(s); (2) the estimated time frame during which the required tasks will be completed; and (3) the final date when closure will be completed.
2. In accordance with 35 Ill. Adm. Code 725.215, when closure is complete a certification must be submitted to Illinois EPA by the owner/operator and an independent professional engineer licensed to practice in the State of Illinois that the hazardous waste management units at the facility have been closed in accordance with the specifications in the approved closure plan. This certification should be received at the Illinois EPA within sixty (60) days after closure.

The closure certification form on Illinois EPA's internet site (www.epa.state.il.us) must be used. Signatures must meet the requirements of 35 Ill. Adm. Code 702.126. The independent engineer should be present at all critical, major points (activities) during the closure. These might include soil sampling, soil removal, backfilling, final cover placement, etc. The frequency of inspections by the independent engineer must be sufficient to determine the adequacy of each critical activity.

As part of the closure certification, to document the closure activities at your facility in accordance with 35 Ill. Adm. Code 725.215, a Closure Documentation Report must be developed and submitted to Illinois EPA along with the closure certification statement which includes the following:

- a. Background information about the facility overall and the overall closure project.
- b. A description of the units closed (include scaled maps showing location of the units within facility and layout of units; information related to construction of the units; and identification of wastes managed in the units).
- c. A chronological discussion of all closure activities and what was accomplished as a result of completing these activities.
- d. The volume of waste, waste residue and contaminated soil (if any) removed. The term waste includes wastes resulting from decontamination activities.

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- e. A description of the method of waste handling and transport.
 - f. Copies of the waste manifests.
 - g. Information documenting the results of all sampling/analysis efforts. The goal of presenting this information should be to describe, in a logical manner, the activities and results associated with the sampling/analysis effort. At a minimum, this information must include:
 - (1) identification of the reason for the sampling/analysis effort and the goals of the effort.
 - (2) a summary in tabular form of all analytical data, including all quality assurance/quality control data;
 - (3) a description of the sampling procedures, sample preservation procedures and chain of custody procedures;
 - (4) identification of the test method used and detection limits achieved, including sample preparation, sample dilution (if necessary) and analytical inferences;
 - (5) copies of the final laboratory report sheets, including final sheets reporting all quality assurance/quality assurance dates;
 - (6) a summary of all procedures used for quality assurance/quality control, including the results of these procedures; and
 - (7) a discussion of the data, as it relates to the overall goal of the sampling/analysis effort.
 - h.. Color photo documentation of closure. Document conditions before, during and after closure.
3. Closure efforts at this facility must meet the requirements of 35 Ill. Adm. Code 725, Subpart G. Any variation to the closure activities approved by this letter shall be the subject of a request to modify the approved closure plan which is submitted to Illinois EPA for review and approval. Any such request must contain detailed information regarding the proposed modifications and the procedures which will be followed to

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complete closure of the unit(s). In addition, this request must contain information demonstrating that the proposed modifications meet the requirements of 35 Ill. Adm. Code 725. Subpart G. A revised schedule for completing the various tasks necessary to complete closure must be included in this request. If the proposed modifications will require the closure project to take more than 180 days to complete, then it will be necessary for this modification request to also contain the information identified in Condition 1 above in support of extension requests.

4. All references to the "Illinois EPA's RCRA closure plan instructions" refer to the document entitled Guidance for Preparing RCRA Closure Plans (July 2003). A copy of this document is available on Illinois EPA's internet site (www.epa.state.il.us). All references to "SW-846" refer to the USEPA document entitled Test Methods for Evaluating Solid Wastes, Third Edition and any finalized updates.
5. Closure of the HWMU shown in Figure 3 of the closure plan for the AAF Decon Area and Sump is proposed to be carried out as follows:
 - a. Relocate any ductwork remaining in the area to the "Prep Area for Cleaning" area shown in Figure 3;
 - b. Pump all water which has accumulated in this area into a tank;
 - c. Vacuum the concrete surface of the entire area;
 - d. Remove any nonsaleable material from the area;
 - e. Pressure wash the area three times.

These efforts are approved, provided: (1) equipment used to move ductwork around in the HWMU is decontaminated before it is used outside of the boundaries of the HWMU (this will minimize the "tracking" of contaminated materials outside the area); and (2) all waste generated during these closure efforts is collected, analyzed for waste characterization purpose, and disposed of properly.

6. Closure of the Brick Shop Container Storage Area shall consist of pressure washing the area three times. all waste generated during these closure efforts is collected, analyzed for waste characterization purpose, and disposed of properly.

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- 7 The proposed activities are appropriate for properly addressing any contamination which may be present in the areas associated with the improper management of hazardous waste observed in September and November 2007. However, contamination may be present in the soils beneath these areas from previous activities in them; the approval of this closure plan does not address any such possible contamination
- 8 Quality assurance/quality control procedures which meet the requirements of SW-846 must be implemented during all required sampling/analysis efforts.
- 9 All hazardous waste generated during this project is subject to annual reporting as required by 35 Ill. Admin. Code 722.141. A report must be submitted to the Illinois EPA by March 1 of the following year for wastes generated during a calendar year and: (a) treated and left on-site; or (b) shipped off-site for storage, treatment and/or disposal. Additional information and appropriate report forms can be obtained from:

Waste Reduction and Compliance Section
Bureau of Land
Illinois Environmental Protection Agency
1021 North Grand Avenue East
P.O. Box 19276
Springfield, Illinois 62794-9276

10. All non-hazardous special waste generated during this project that are shipped to a facility located outside the State of Illinois are subject to annual reporting as required by Section 22.01 of the Illinois Environmental Protection Act and 35 Ill. Admin. Code 809.601(g) and shall be reported to Illinois EPA by February 1 of the following year. Additional information and appropriate report forms can be obtained from the Waste Reduction and Compliance Section at the address above.
11. If the Illinois EPA determines that implementation of this closure plan fails to satisfy the requirements of 35 Ill. Adm. Code 725.211, the Illinois EPA reserves the right to amend the closure plan. Revisions of closure plans are subject to the appeal provisions of Section 40 of the Illinois Environmental Protection Act.
12. Under the provisions of 29 CFR 1910, cleanup operations must meet the applicable requirements of OSHA's Hazardous Waste Operations and Emergency Response standard. These requirements include hazard communication, medical surveillance, health and safety programs, air monitoring, decontamination and training. General site workers engaged in activities that expose or potentially expose them to hazardous substances must receive a minimum of 40 hours of safety and health training off site plus a minimum of

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three days of actual field experience under the direct supervision of a trained experienced supervisor. Managers and supervisors at the cleanup site must have at least an additional eight hours of specialized training on managing hazardous waste operations.

13. The approval of this closure plan will not (1) resolve any of this facility's possible violations of the Illinois Environmental Protection Act and/or 35 Ill. Adm. Code, Subtitle G, Waste Disposal as set forth in Violation Notice L-2007-01375; or (2) prevent the USEPA or Illinois EPA from pursuing enforcement proceedings and monetary penalties as a result of the afore-mentioned possible violations.
14. The form entitled RCRA Interim Status Closure and Post-Closure Care Plans General Form (LPC-PA18) must be completed and accompany all information submitted to the Illinois EPA associated with the closure activities described in this letter. As noted on this form, two copies must accompany the original of all submittals, so that the information submitted can be distributed, as necessary to Illinois EPA personnel and regional offices. A copy of this form can be found on Illinois EPA's internet site.
15. The original and two (2) copies of all certifications, logs, or reports which are required to be submitted to the Illinois EPA by the facility should be mailed to the following address:

Illinois Environmental Protection Agency
Bureau of Land -- #33
Permit Section
1021 North Grand Avenue East
Post Office Box 19276
Springfield, Illinois 62794-9276

This action shall constitute Illinois EPA's final action on the subject submittal. Within 35 days after the date of mailing of Illinois EPA's final decision, the applicant may petition for a hearing before the Illinois Pollution Control Board to contest the decision of Illinois EPA, however, the 35-day period for petitioning for a hearing may be extended for a period of time not to exceed 90 days by written notice provided to the Board from the applicant and the Illinois EPA within the 35-day initial appeal period.

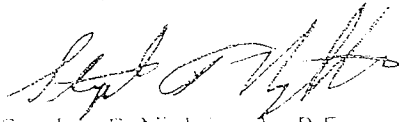
Work required by this letter, your submittal(s) or the regulations may also be subject to other laws governing professional services, such as the Illinois Professional Land Surveyor Act of 1989, the Professional Engineering Practice Act of 1989, the Professional Geologist Licensing Act, and the Structural Engineering Licensing Act of 1989. This letter does not relieve anyone from compliance with these laws and the regulations adopted pursuant to these laws. All work that falls within the scope and definitions of these laws must be performed in compliance with them.

Ms. Laura Grandy
Log No. C-861 and C-862
Page 7

The Illinois EPA may refer any discovered violation of these laws to the appropriate regulating authority.

Should you have any questions regarding this matter, please contact James K. Moore at 217/524-3295.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen F. Nightingale".

Stephen F. Nightingale, P.E.
Manager, Permit Section
Bureau of Land

SFN:JKM/mls/082593s.doc
JKM

Attachment: Site Layout Map

cc: Penny Livingston
Gary Davis

